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Governor Whitman's Report

UNIVERSITY OF MICHIGAN

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TO THE VOTERS

OF THE

STATE OF NEW YORK

1915—1916

CONTENTS

	PAGE
The Governor	
To the voters.....	3
Appointments	
On basis of merit and efficiency.....	6
Finance Reform	
Open hearings — itemized appropriations.....	15
Pay-as-You-Go	
Democratic debts paid.....	18
Highways	
One thousand five hundred miles of road built.....	21
Agriculture	
Indemnities paid — education advanced.....	24
Conservation	
Policy not politics — service to the future.....	28
Canals	
One hundred and fifty-four miles of new waterways opened....	33
Labor	
Protection for the worker.....	39
Preparedness	
Prompt mobilization — proper organization — physical training	42
Public Service	
A people's Public Service Commission.....	48
Health	
Disease checked — mortality lowered.....	50
Quarantine Station	
Transferred to Federal control.....	54
Elections	
Useless positions abolished — work centralized.....	56
Civil Service	
Laws enforced — square deal to all.....	57
Taxes	
Cooperation with local assessors.....	59
Prisons	
Sing Sing to be rebuilt — reforms advanced.....	65
The Insane	
More and better accommodations — scientific segregation.....	68
Charitable	
Equipment increased — deficiencies met.....	75

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Governor Whitman to the Voters of the State

STATE OF NEW YORK — EXECUTIVE CHAMBER,

ALBANY, *September 7, 1916.*

I assumed the duties of Governor of the State of New York on January 1, 1915. I found that the preceding Democratic administrations of Governors Dix, Sulzer and Glynn had brought the State's business to the verge of chaos. I determined to reorganize and revitalize the State Departments and to bring them to the highest point of efficiency possible.

I am a candidate for re-election. I believe that you should have before you the complete record of my administration. I believe that this record entitles me to your support. If you disagree with me, vote against me; if you agree with me, I ask your vote that in your interest I may be enabled to continue the work in which this administration is now engaged.

In considering this question, it is proper that you should bear in mind these facts concerning the administrations which preceded me; Governor Dix was denied a renomination by his own party; Governor Sulzer, refusing to obey Tammany Hall, was impeached; Governor Glynn, controlled by Tammany, was repudiated by you in favor of me.

Any candidate of the Democratic party in this State will be nominated and dominated by the identical forces that elected and controlled my Democratic predecessors named above. Because of that domination, any such candidate can promise you at best no more than a return to the conditions which obtained under Governors Dix and Glynn or under Governor Sulzer.

It is for you to determine by your vote whether the record I present to you justifies the continuance in office of my administration, or whether you will elect to return the State to the control of the forces which dominated the administrations of my three Democratic predecessors.

Herewith I present the record of the present administration, summarized in the form of a report to you and supplemented by the reports of the department heads to me.

Four Years of Democratic Destruction

Two Years of Reconstruction

In the finances of the State, I found a tremendous accumulation of unpaid debts and a system of lump sum appropriations concealing the purposes for which your money was to be spent. In the face of the most adverse criticism I provided for the payment of the State's debts and for a system of itemized appropriations by which you can tell where every dollar of your money goes.

I vetoed items and bills totaling the sum of \$4,466,366 presented to me by the two Legislatures which have met during my administration, and I decided upon these vetoes at open public hearings at which for the first time in the history of the State the Department Heads were called upon to justify their demands for their appropriations.

I found that the Civil Service Laws were ignored and violated. I appointed and supported a commission which has insisted upon a strict adherence to the spirit and the letter of the Civil Service Laws of the State.

In the Conservation Department, I found an extravagant three-headed Commission, politically appointed and politically inspired, and I substituted therefor a single-headed Commission, headed by a conservationist of national repute, who wiped out extravagance and enforced the principles and laws of conservation equally toward all.

The Highway Department was best known throughout the administrations of the three preceding Governors, by the sensational scandals, both political and constructive, which emanated therefrom. We have stopped the activities of the "bagmen" and are confining our energies to road building. Over fifteen hundred miles of road have been built during my administration. In 1913 it cost the State \$1,040 per mile for the maintenance and repair of State and county highways. In 1916, it is costing the State \$655 per mile, a difference of \$385 per mile.

In the Health Department, I have accepted the policy of its head, that "public health is purchasable" and, by increased appropriations and the provision of proper equipment for a centralized State laboratory, have advanced the cause of efficient disease fighting in this State. I secured legislation transferring the health office of the Port of New York to the Federal Government and upon my request to President Wilson, a Federal officer was detailed to take charge of and is now directing this work. This office had been a political plum since its organization.

In the Department of Architecture, I have abolished political pay-rolls which made a scandal of the capitol reconstruction and have used the services of that Department to assist, supervise and control the construction activities of the State.

In the Prison Department, I found that the start made by Governor Hughes on the problem of a substitute for Sing Sing Prison had been

stopped by the Democratic administrations which followed him and preceded me. In spite of a practically unanimous sentiment that the Sing Sing cellhouse should be either demolished or practically reconstructed, I found that there had been no forward step in prison construction made at Sing Sing under any of my Democratic predecessors. A start has been made toward demolishing the old cellblock of this prison and toward building in its place a modern model prison, and at the same time we have renewed the project of building a new farm and industrial prison to take the place of Sing Sing Prison except as a prison for classification and distribution. I have supported every phase of the prison reform movement which has been started during this administration.

I found the hospitals and charitable institutions of the State scandalously overcrowded because there had been no proper provision in the way of new construction for an increasing number of inmates and, by furthering and approving needed appropriations for such construction, have reduced this overcrowding as rapidly as possible.

I found the canal system of the State dominated by a "canal ring" whose chief pursuit seemed to be the levying of political blackmail. My administration has supplanted this regime by a highly trained and technically efficient canal working force. My services to the completion of the Barge canal include an appropriation of \$3,654,000 in the budget of 1915 for contracts entered into in excess of the \$101,000,000 bond issue during the preceding administration and a referendum of \$27,000,000 to complete the enterprise.

I found that the laws of the State relating to the protection of labor were being administered and extravagantly administered by four separate departments. I consolidated these activities into one paid commission and thereby saved the State upwards of \$300,000 a year. I approved the measure for widows' pensions, and I vetoed the measure under which it would have been possible, under certain circumstances, to work women in factories twelve hours a day for seven days a week. I furthered and approved a bill extending the scope of the Workmen's Compensation Law to any person engaged in a hazardous employment, carried on by the State itself or by any city or other subdivision of the State.

In the Department of Agriculture, I paid in the first year of my administration \$780,000 for the reimbursement to farmers for the killing of their live stock by the State to prevent the spread of disease. Four hundred and thirty-two thousand dollars of this amount was for claims from one to five years old. I have definitely extended the equipment and activities of those institutions through which the State is furthering scientific farming, such as the Geneva Experiment Station, the Agricultural Schools of the State and the Farm Bureaus

and the Farmers' Institutes. Under my administration no claim has been made to the Department of Agriculture of a defaulting milk dealer or produce dealer. The Department has recovered thousands of dollars owed to farmers and withheld from them by dealers. Although effort was made to keep down appropriations, I secured for the Department of Foods and Markets an increased appropriation of 65 per cent. over that given by my predecessor.

I have vigorously supported the Department of Education in the development of all activities under its jurisdiction.

I have taken the Public Service Commissions of the State out of politics and made them agencies of the people and not of corporations.

I have secured legislation providing for properly supervised physical training for school children which constitutes the best possible real preparedness for either peace or war.

I have stood for home-rule for the cities of the State. Testimony in this respect from the city of New York is contained in the following statement by the Assistant Corporation Counsel assigned to Albany as legislative representative during the two sessions of my administration:

"The Governor approved every one of the bills accepted by the Mayor. Since the Constitution was amended in 1894 by providing for the transmission of special city bills to local authorities no Governor of the State has accorded such consideration to legislation accepted by the city of New York."

I have appointed to office men of the highest type. In their selection fitness for the position and real efficiency have been the tests applied. In a speech at the Lotus Club, New York, early in the administration, I said that I was "hunting for heads with brains in them," and on this qualification appointments were made.

Where I found in office at the beginning of the administration Democratic incumbents of whose efficiency I was satisfied, I withstood every pressure aimed at their removal. Where I found incumbents in office whom I deemed inefficient, I ousted them in one way or another, promptly. Some of these ousted ones were Democrats and some were Republicans, but the test was applied equally to each.

Major General W. W. Wotherspoon Appointed Superintendent of Public Works

My first appointment was that of Major General William W. Wotherspoon, former Chief of Staff of the United States Army as Superintendent of Public Works. General Wotherspoon's training in the United States Army, from the time of his appointment as a second lieutenant in 1873 until his retirement from the highest rank in that

organization, was a training which especially fitted him for this service in the State.

The demands upon an army officer, and particularly upon a Chief of Staff, both in the way of executive capacity and of technical efficiency, are such that it is doubtful whether in any other man I could have found a combination of qualities better fitted to operate the canal system of New York State. That system presents to the man charged with its operation problems more varied than any completed canal system in the world, and Wotherspoon's immediate grasp of the problems of administration and engineering which he found awaiting him justified the appointment.

Wotherspoon proceeded in his first year to cut the item of extraordinary repairs to the canal system from \$150,000 a year to \$66,000 a year; he saved thousands of dollars which were previously poured out, either in extravagance or graft, by a system of accurate inventories of State property; he abolished a useless office that cost \$22,000 a year and he brought into the department an additional revenue of upwards of \$12,000 a year by a proper handling of the State's rentable lands bordering on the canals.

Samuel H. Ordway Selected to Head a New Civil Service Commission

Early in the administration, I found that one of the foundations of the inefficient administration of a previous four years under Dix, Sulzer and Glynn, was the improper and unfair application of the principles of Civil Service. In the roots of every departmental situation, where waste, extravagance and petty pay-roll graft had benumbed the efficiency of that division of the State service, I found a violation of the Civil Service principles of the Constitution and statutes of the State. I approached that problem from the standpoint of my belief that to put the interests of a political party above the interests of the State would work injury in the end to both, and carrying out honest conviction on this subject, determined that the Civil Service laws of the State should be given full force and effect. Securing the resignations of the two commissioners whose terms did not expire, I appointed, on February 1, 1915, an entire new Civil Service Commission, designating Samuel H. Ordway as chairman, and naming as his associates, Willard D. McKinstry and Colonel William Gorham Rice. These men, each with an enviable record in real Civil Service Reform, fought out the battle which the spoils system invariably fights against the merit system.

Since the reorganization of that commission, whose duties are so vital to the efficiency of the State's employees, over two hundred positions have been brought under the competitive service which were formerly filled as a reward for political activity, with no bearing on the fitness of the appointee for the work he was expected to do. Both for appointment

to positions in the State service and for promotion within that service, this commission has insisted that candidates must submit to the test of impartial examination, in order that their fitness may be determined.

Edwin Duffey Chosen to Direct the Department of Highways

The largest single problem of the administrative affairs of the State of New York is to be found in the Department of Highways. Bond issues, appropriations and contributions from counties make a total of over \$150,000,000, which has been devoted to the purpose of improved highways in this State. The size of this available fund, the vast geographical spread of its application and the class of labor by which a large percentage of the work under it was done, combined to make this department a dumping-ground of politics.

Through the Democratic administrations of Dix, Sulzer and Glynn, there ran a vein of political corruption in connection with this gigantic enterprise which had its culmination in the exposures of the "bagmen" who levied cash tribute on both contractors and workmen in this department, and in the indictments for illegal construction with materials not corresponding with the specifications of contracts.

With both of these situations of corruption, I was familiar, by reason of inquiries instituted and conducted, as District Attorney of New York, from which indictments of political and road-building grafters emanated. Because of this familiarity with the scandals of this department, I was the more anxious to put it in the hands of someone with whose character, trustworthiness and efficiency I was personally acquainted.

Because I deemed good roads an imperative necessity, because I wanted the people of New York to get a dollar's worth of value for every dollar expended on their roads, and because I wanted to put an end to inefficiency and political "pull," I appointed, as Highway Commissioner, my life-long friend, Edwin Duffey, a former District Attorney of Cortland county.

Duffey made a clean-sweep of the useless political jobs in that department. Duffey, acting in cooperation with the Civil Service Commission, made it possible for engineers and real road-builders to get employment in the department and promotion after employment, according to their merit. Duffey installed a system of efficiency ratings, by which all wage increases in the department are arrived at.

Charles S. Wilson Put in Charge of the Department of Agriculture

The department of the State of New York which comes into most frequent personal contact with the largest number of its citizens, in a business way, is the Department of Agriculture.

That department, in one way or another, does business in the course of a year, not only with almost every farmer in the State of New York, but also with thousands of men who buy products of the farm, either at wholesale or at retail.

In these days of modern and scientific farming, when the farm like the shop has its specialists in every division of productive labor, this department has its bureaus of specialists to meet the demands of the specialists who are producing everything that can come from the soil, whether of vegetable or animal life, or the extract therefrom.

Such a department, I realized when I took office, demanded a head who should be a combination of highly trained specialist, with a broad education in all lines of farm activities, and an executive of proved capacity.

Seeking such a man, I went to President Jacob Gould Schurman, of Cornell University. I asked him to select from among those trained in the Cornell Agricultural College maintained by the State the best man for the place.

He suggested Charles S. Wilson, a member of the faculty of the Cornell Agricultural College, and I appointed him.

Wilson proceeded along the same lines followed by the other departmental heads appointed by me and began immediately to weed out the useless job-holders in his department.

Wilson arranged a constructive program for the county fairs. Working through those fairs and through other educational facilities of his department, he has started a movement toward standardization of New York products which will put them on an equal market footing with competitors from other States.

As an example of this work, he conducted a study to ascertain why, in some of our up-State cities, western apples for the high-priced trade were bought in preference to the New York State product, and found that the quality was equal, but the organized western apple growers had standardized the sizes to a degree previously ignored by the producers of New York.

Wilson has extended the scope and growth of farm bureaus and farmers' institutes. Through these activities he has been educating farmers, dairymen and fruit growers, not only to increase their product, but to improve the quality of their product and to improve the methods by which it is put upon the market; all of which work is increasing, by a definite percentage, the price which New York farmers are getting for their products.

Wilson made a careful study of the needs of the agricultural schools of the State and of the Geneva Experiment Station, and on his recommendations I furthered and approved the bills providing for necessary additional buildings at these schools and at the Experiment Station.

Lawyers of Reputation and Ability Named for Court of Claims

When I entered office, there was an accumulation of over 2,000 claims against the State of New York, in connection with Barge canal building operations, aggregating \$60,000,000. Claims growing out of appropriation of property by the State bear interest on the awards from the date of appropriation. An accumulation of \$60,000,000 in claims meant, therefore, an interest charge of approximately \$3,000,000 annually.

It can easily be seen that such an accumulation of claims is an expensive burden for any business, be it public or private, to carry. I found that the settlement of these claims was in the hands of a Board of Claims, only one of the three members of which was a lawyer. This board was further handicapped by a law requiring it to hear claims as a body. I furthered and approved legislation to replace this board, which was so rapidly falling behind in the work it was supposed to do, by a court composed of lawyers and so framed that it should be capable of expansion to the size of five members, if that were found necessary, to clean up the accumulated cases. The law also provided that cases could be heard by one or more judges and matters thus be expedited.

I appointed, as judges of this Court, in February, 1915, Adolph J. Rodenbeck, Fred M. Ackerson and Thomas F. Fennell, and later, when the Attorney-General had certified to the necessity of additional judges, added the names of Charles R. Paris and Nathaniel P. Willis. Judge Willis subsequently resigned and I appointed William D. Cunningham to the vacancy.

In the first year following their appointment, these judges heard a total of 1,100 cases. This year from March up to August 7th they have heard 554 cases. Because of this reform and because of the ability of the men appointed to these important positions, the State has saved hundreds of thousands of dollars in interest charges which had been accumulating under four years of Democratic administration.

Oscar S. Straus Heads a New First District Public Service Commission — Irvine Reappointed to the Second

During the first year and a half of the administration, it became my duty, because of removals, resignations and expirations, to name an entire Public Service Commission for the First District.

To no other Governor, except Governor Hughes, when the Public Service Commission Laws were passed, has it fallen to name more than two members of this body which, in addition to the regulatory work of transportation in Greater New York, has supervision over the vast construction operations of the new subways system of the metropolis.

I determined to place in the control of these vast operations a board

so well balanced that in its membership would be found a trained specialist for each phase of the work under its supervision.

Oscar S. Straus, a master mediator, respected and trusted by both capital and labor in hundreds of disputes, pre-eminently fitted to head a commission whose continuous duty it is to make both capital and labor work together for the benefit of public transportation; Henry W. Hodge, an engineer, whose fame in this profession is international, to supervise the tremendous engineering problems of this Commission; William Hayward, a trained lawyer, who, in his work as counsel for a legislative investigation committee had shown a grasp of the possibilities of legal enforcement of its orders hitherto unrecognized in the Commission; Charles S. Hervey, an analytical specialist on governmental finance, with twenty years' training in the office of the Comptroller of New York and Travis H. Whitney, a public utility expert, who had been selected as secretary of the Commission at its inception, at the suggestion of Governor Hughes — these were my appointments to this powerful Commission — appointments dictated solely by a measure of merit and fitness, not alone in the individuals named, but in their composite ability to handle and supervise the problems of that Commission, in contrast to the measure of political fitness which had governed the appointments to the same Commission under Dix, Sulzer and Glynn.

In the Public Service Commission for the Second District, concerned with the public utilities of the State outside of Greater New York, I have named two men. My first appointment in 1915 was of James O. Carr, a lawyer with years of experience with the public utility problems of up-State sections. In 1916, the term of Commissioner Frank Irvine expired. Commissioner Irvine was a life-long Democrat; naturally, there was tremendous pressure brought to give the place to a member of my own political party. I reappointed Commissioner Irvine, and in so doing became the first Governor in the history of the State to reappoint a member of the opposite political party to this Commission.

Experts in Taxation Named for the Reorganized Tax Department

In the campaign of 1914, as a candidate for election, I singled out the inefficiency and almost criminal negligence of the Democratic administration of the State Tax Department for special attack. For four years no constructive administrative act had been initiated by that department. This department which should be administered by experts was a veritable home for incompetent Democratic politicians, one of whom, Louis F. Haffen, was removed from the office of Borough President of the Bronx by Governor Hughes. Confusion in its affairs, political favoritism in the application of its rules and negligence which

resulted in an accumulation of unaccomplished work, had brought that department to a condition where its service to the State was almost nil.

I recommended legislation for the creation of a new tax commission, and upon its passage appointed as members of that commission former Senator Martin Saxe of New York City, who was for four years a member of the Senate Committee on Taxation and a member of the Special Tax Commission of 1906; Hon. Walter H. Knapp, for many years county judge of Canandaigua, who enjoyed a great experience in rural taxation; and former Senator Ralph W. Thomas, of Hamilton, at one time a professor in Colgate University and a student of economics and public finance. This Commission has added upwards of \$60,000,000 to the assessments of special franchises; it has increased the receipts from corporation franchise taxes considerably over \$1,000,000, and for the year 1916 the Corporation Tax Bureau of the Tax Department will produce, approximately, \$12,250,000, the greatest amount of corporation taxes in the history of the State. As a result of the work of this Commission with the local assessors, the total assessment of real estate for the State for the year 1916 will show an approximate increase of over \$300,000,000. The Commission has brought up to date the work of examinations of the offices of county clerks which, in the matter of mortgage tax collections, had been allowed to fall behind for the previous four years. It prosecuted disputed cases, corporation trust mortgages, bringing to the State over \$125,000 of mortgage tax funds in the first year.

George D. Pratt Selected as Conservation Commissioner

The Democratic administration, under Governor Dix, in 1911, provided for a Conservation Commission, consisting of three commissioners at \$10,000 a year each, and three deputies at \$3,500 a year each. This expensive organization I found in office when I was inaugurated. Both on the ground of the political character of the incumbents and upon the ground of the extravagance of its organization, this Commission did not appeal to me as one which could handle the vast problems of the conservation of the resources of the State of New York to the best advantage of the citizens of the State. At my suggestion, legislation was framed and passed abolishing this expensive three-headed Commission in which the annual salaries of Commissioners and Deputy Commissioners aggregated \$40,500 and substituted therefor a single-headed Commission, with one deputy. The reorganization provided for the centralizing of all power and responsibility in the hands of the Commissioner and his deputy and fixed their salaries at \$8,000 and \$6,000 a year, respectively, a total of \$14,000 for administration salaries, as compared with a total of \$40,500 for the previous Commission.

For these responsible and important posts, I selected for Commissioner Mr. George D. Pratt, of Brooklyn, and for Deputy Commissioner Mr. Alexander Macdonald, of St. Regis Falls. Mr. Pratt was president of the Camp Fire Club of America, treasurer of the National Council of Boy Scouts, chairman of the Physical Department of the International Y. M. C. A., a founder of the Permanent Wild Life Protective Fund and a power in the country-wide conservation movement in the United States.

His deputy, Mr. Macdonald, had been for years a resident of the Adirondack section, one of the counties of which he had represented in the Assembly, and is familiar with all the problems of Adirondack conservation.

Commissioner Pratt has reduced the number of employees, brought the entire service of the Conservation Department under strict Civil Service regulations, has surveyed a fire map of the forests, corresponding in detail as applied to the vast stretches of danger spots in our forest preserves, to the highly detailed fire maps with which our cities now provide metropolitan fire departments, and from that map he has worked out the most comprehensive plan of organization against fire fighting in the forests that has ever been undertaken in this country.

In ousting illegal occupants of State lands, he has proceeded with equal justice against both rich and poor. He is planning on reforestation of the 139,000 acres that have been burned off because of improper fire protection in our forests during the last fifteen years.

George E. Green Put in Charge of the Excise Department

I appointed as Excise Commissioner Mr. George E. Green, a former State Senator from Binghamton.

Commissioner Green has effected an annual saving of over \$50,000 in the salaries and expenses of that Department and the operations of the Department have been conducted with an exact and fearless regard for the enforcement of the law.

Jesse S. Phillips Named as Superintendent of Insurance

Mr. Jesse S. Phillips, whom I named as Superintendent of Insurance, has demonstrated by his record of economical administration of his Department his fitness for the position to which he was appointed. He has abolished twenty superfluous positions which had been added, and, a few at a time, during the previous administration of the Department, at an added and needless expense of over \$40,000 a year.

Dr. Frederick L. Marshall in Charge of the Department of Elections

In the Department of Elections, I had had experience as District Attorney of New York county with the problem of corrupt practices

with regard to elections. Appreciating from these experiences that the problem was one which centered in New York city, I realized the futility and extravagance of an organization in that Department which embraced three Superintendents of Elections. I approved a bill replacing that extravagant organization of the previous administration, with a single Superintendent of Elections, and named for that position Dr. Frederick L. Marshall, of New York city. Dr. Marshall had so demonstrated his capacity as an executive of high type, that the Federal Democratic administration had retained him in office as a Collector of Internal Revenue in the Third District of New York for more than a year after his term expired. By the economies he effected through reorganization of that Department, he has demonstrated again the success of the policy of selecting Department heads on the basis of merit and efficiency.

Distinguished Appointees for the New Industrial Commission

At the outset of the administration, I reorganized the departments which dealt with the problems of protection for the workers of the State. I found a complicated and disconnected system in effect consisting of a Labor Department, a Fire Marshal's Department, a Workmen's Compensation Commission of five members and an Industrial Board of four members, and reorganized these disconnected units into a single paid body of five members, the Industrial Commission.

The duties then performed by the office of Fire Marshal costing approximately \$125,000 a year are now completely taken care of in a small bureau in the Industrial Commission. For the five appointments of important commissionerships put into my hands by this reorganization, I named Mr. John Mitchell as Chairman; Mr. James M. Lynch, Mr. Edward P. Lyon, Mr. William H. H. Rogers and Mr. Louis Wiard.

Mr. Mitchell had been appointed by Governor Glynn as a member of the Workmen's Compensation Commission. His long and enviable record as a fighter for the cause of social justice is widely known and appreciated.

Mr. Lynch had been the Commissioner of Labor under the preceding Democratic administration. Mr. Lyon, Mr. Rogers and Mr. Wiard, known in their respective localities as men of broad and deep experience with regard to the questions between labor and capital, combined to make a Board in which the interests of both workers and employers, as well as the public at large, would receive just consideration.

James M. Carter Put in Charge of the Prisons

In the appointment of Mr. James M. Carter, as State Superintendent of Prisons, I followed again the policy of appointments for efficiency only. Mr. Carter is a master builder of Buffalo and an

executive of high standing among his business associates. His administrative ability, no less than his expert knowledge of the building trades and construction costs, makes him, especially at this time when new prison construction is the uppermost problem of the Department, the exact type of efficient public servant for which I have consistently stood in every division of State work.

Efficient Democratic Department Heads Retained

In my treatment of efficient department heads whom I found in office when I entered upon the duties of Chief Executive, as well as in my appointment to office of the men selected by me to handle the large affairs of departmental business of the State, I have applied, at all times the test of merit and efficiency and in those cases where I found that test satisfactorily met by a Democratic incumbent, such as Dr. Hermann M. Biggs, in the Department of Health, Mr. Lewis F. Pilcher, in the Department of Architecture, Mr. William A. Mallery, Jr., as Fiscal Supervisor of State Charities, and Mr. Eugene Lamb Richards in the Banking Department, I have withstood all pressure of partisan politics wherever I thought that there was even a remote possibility of such partisanship impairing the efficiency of the State's service.

Reform in State Finance

I entered upon the duties of my office with a clear understanding of the chaotic condition of State finance. I realized that the whole procedure in this branch of State government was a survival of obsolete methods which had not been changed despite the enormous increase in both the volume and complexity of the transactions which it was intended to safeguard.

The major part of my inaugural address was devoted to the urgent need of reform in State finance and the adoption of the best efficiency methods in administration. In that address I said:

"At the present day the largest business in the country is that of government, and the magnitude of governmental operations and the number of governmental activities are growing by leaps and bounds; yet neither the United States nor the various State and local governments have organized the conduct of their several businesses on any efficient plan, or have adopted any scientific system of accounting and auditing or of preparing a budget or financial program."

After indicating the rapid increase in the cost of State government and the various features of State finances which demanded correction, I said:

"Until business-like methods of accounting and auditing are introduced and a scientific budget procedure is adopted, the officer

(meaning any responsible administrative officer) will at all times be handicapped and blamed or criticized for what he cannot control.

“Moreover the adoption of a sound financial system and budget procedure is imperative in order to enable the citizens of the State to take an intelligent and active part in State affairs and to enable the people to cooperate practically with the Legislature and the executive branches of the government. Without such a system the people cannot obtain the necessary information as to the conduct of governmental affairs and cannot exercise the constant vigilance which is necessary to secure efficiency and economy in the public service.”

When the first examination was made by this administration for the purpose of preparing the usual appropriation bills, it was found that four years of Democratic misrule had depleted the treasury of nearly its whole cash balance and had also failed to provide for at least ten million dollars of the appropriation needs of the then fiscal year.

So that at the beginning I was confronted with a crisis in the State finances demonstrating the urgent need of beginning at once the reforms to which I had referred in my inaugural message.

As the Legislature was already in session considering these matters for its own immediate action, there was no time nor opportunity for me to indicate in detail my views of the State appropriation needs. I did, however, during the thirty-day period following the adjournment of the Legislature inaugurate an intensive study of State finance and begin the work of reform in finance methods by a series of open public hearings for the consideration of the appropriation bills submitted by the Legislature. To these hearings representatives of the principal civic bodies of the State were invited, as well as department heads and other State officers who could assist in an analysis of the figures. As the result of these hearings I vetoed appropriation bills of that year to the amount of \$1,828,915.41 and reappropriation bills to the amount of \$736,445.02, making a veto total of \$2,565,360.43.

As my second step in State finance reform I began in November, 1915, the preparation of a tentative budget in scientific form for submission to the Legislature in the present year. In preparation for this tentative budget I caused to be analyzed and classified all of the appropriation estimates of the departments and directed a careful investigation of the principal items of these estimates. Following these labors I summoned the department heads before me at public hearings and the tentative appropriation amounts to be recommended were arrived at after public discussion. The tentative budget resulting from these hearings, together with an analysis of departmental estimates, making

two volumes, together containing over a thousand pages, I submitted to the Legislature on January 5th with a message devoted exclusively to State finances.

The principal features in the reform in State finance which I recommended were the following:

1. A segregated State budget with expenditures scientifically classified, so that the appropriations could be used only for the purpose intended when the appropriation was made, which budget should as nearly as possible in a single act include the appropriation necessary for the entire year of government maintenance.

2. In order to do away with the confusion which made it practically impossible to determine the liabilities and commitments of the State at any one time, that all appropriations excepting those for construction work should begin on the first day of the fiscal year and lapse on the last day of that year.

3. That all proposed appropriations should be considered and discussed in public.

4. That the full control of all authorized expenditures of State money should be placed in the hands of the State Comptroller.

5. That all other separate and independent fiscal units of State government should be abolished.

6. That all the State money should be placed in the custody of the elective finance officers of the State and remain there until actually disbursed.

7. That no contract of the State should be legal unless the certificate of the Comptroller be attached thereto to the effect that that money had been appropriated and was reserved for the purposes of the contract.

8. That the State Constitution should be amended so that the contributions to the Sinking Funds of the State need not be more than their actuarial requirements.

9. That the Constitution of the State should be amended to permit the Chief Executive to reduce as well as veto items of appropriations passed by the Legislature.

I explained in my message to the Legislature on January 5th of this year the importance of these reforms and how the proposed procedure in regard to appropriations would make possible a complete audit and account control by the State Comptroller, and center responsibility upon administrative officers of the State for strict compliance with the financial program represented by the appropriation acts. To assist the Legislature in carrying out the details of this program, I submitted not only the tentative budget and analysis of departmental estimates already previously referred to, but a number of legislative acts either wholly new or amending existing statutes.

The Legislature accepted my financial program in all those features which it deemed could properly be put into operation the first year.

The segregated and scientifically classified budget passed by the Legislature required between six hundred and seven hundred pages to print and included several thousand items which gave the purposes of expenditure in the most minute detail. With respect to this legislative appropriation act, in my memorandum at the end of the thirty-day period I summarized its advantage as follows:

"A very great advance is made in the appropriation bill of the present Legislature over any previous appropriation bill in the fact that it is for the first time based upon scientific expense classifications which, for instance, separate expenditures for personal service from every other kind of expenditure, classifying maintenance and operating expenses under their proper subdivisions, preventing the use of those appropriations for more than one kind of expense, and giving opportunity to the State Comptroller for proper audit control. This feature of the act, together with the fact that all maintenance and operation and personal service expenses and all other appropriations except for repairs and construction become available on the 1st day of July, 1916, and lapse on the 30th day of June, 1917, go far towards clarifying a very great deal of the previous confusion and obscurity in State appropriations. The bill, for the first time in the history of the State, makes complete provision for the maintenance and operating expenses of every department and activity of the State for the full year, a feature of appropriation the importance of which cannot be overestimated in future State financing."

A joint resolution was adopted by the Legislature incorporating my recommendation with respect to sinking funds contributions. The recommendation that power be given to the Chief Executive to reduce as well as veto appropriation items was not accepted by the Legislature, but the proposal will again be submitted to the Legislature at its next session.

This record in finance reform is remarkable, especially in one respect, because, while most movements for the modernizing of either State or municipal financial conditions ordinarily require a campaign extending over several years before any degree of success is attained, as a result of the action of the Legislature of 1916, alone, the major part of these plans have already been put in actual operation.

The Pay-as-You-Go Policy

Attention has been called, in the preceding, to the fact that, upon assuming office, I found a State Treasury depleted of its cash reserve and approximately ten million dollars of actual obligations accruing for public enterprises begun and not completed or for the maintenance of

known State activities which the preceding administration had either ignored or deliberately cut out of its appropriation program. A notable item of this sort was one of \$3,654,000 which represented the excess of contract liability for Barge canal construction over the bond funds available for its payment. Another group of delayed or ignored items for building, construction and permanent betterments, aggregated \$4,000,000. Grade crossing appropriations, ignored for several years, totaled \$752,000; National Guard deficiencies and maintenance items—\$340,000, a large amount of this total represented failure for several years to make adequate appropriation for the support of National Guard organizations. There was an item of deficiency in canal maintenance appropriation—\$340,000. In respect to this item, the preceding administration deliberately ignored, in its appropriation for this department, its actual needs in salaries and wages to this amount.

Other items, representing failure or deliberate neglect by the previous administration to provide for expenses of the fiscal year for which it was its duty to appropriate, are the following:

Constitutional Convention	\$500,000
State Census	465,000
Deficiency for maintenance of Workmen's Compensation Commission	425,000
Legislative printing	300,000
Indemnities for diseased animals slaughtered.....	432,722
Yorktown condemnation award.....	80,000

In addition to these failures to provide for obvious and pressing needs of government, the preceding administration had made another excursion into high finance with respect to the cash balance in the State Treasury. When that administration came into office there was approximately \$11,000,000 available in excess of liabilities.

The Glynn administration thereupon proceeded to make appropriations in excess of the income resources of the State whereby this balance was exhausted to the extent that the State Comptroller was required to borrow \$6,000,000 to meet the current expenses of government during the following mid-summer of 1915.

The only apparent reason for this kind of financing on the part of the preceding administration was that the then Governor, who had obtained the office through the impeachment and removal of his predecessor, proposed to be a candidate for election and assumed that a lower level of legislative appropriations, regardless of how it was brought about, would be helpful in obtaining votes.

No matter what the motives underlying the policy, it created a condition for the incoming Governor of being obliged to assume the distasteful burden of paying the debts of his predecessor or continuing

the inherited system of bad finance, paying what little was necessary and passing all possible obligations on to the future.

I took a stand at once firmly for a pay-as-you-go policy. I insisted that it was financial dishonesty for the State to conceal the cost of government by dividing the appropriations for any activity or departments between two legislative sessions where they could properly and intelligently be made at one time. I also took the position that further neglect to provide for the proper housing of the State's dependents was a public wrong. I also took the position that the State was in honor bound to provide funds for the completion of such contracts as it had entered into with contractors upon the Barge canal and elsewhere. As already noted there was a deficiency in the item of Barge canal construction of \$3,654,000.

Although, at this time, the current expenses of the State, chargeable to the present administration, were increasing in several items, notably contributions to Sinking Funds, a mandatory increase of \$1,500,000; support of common schools, mandatory increases of \$316,000; and other mandatory items of similar character, yet I felt that no matter what criticism might be brought against my administration it was my duty to see that appropriations were made to meet the future obligations which properly belonged to the first legislative session of the administration, and that the creditors of the State should know that the faith of the State with them would be kept.

This was the first test of a pay-as-you-go policy which required the State to face its obligations, mostly inherited, and meet them as soon as those obligations could be ascertained. Naturally, a storm of Democratic protest was aroused, particularly in the Democratic newspapers of New York City. This storm of protest was systematically accelerated with two purposes in view, first to obscure the acts of financial vandalism perpetrated by the former Democratic State office holders, and second to make political capital out of the increased appropriations of their successors which this vandalism had made necessary.

Notwithstanding the outcry, however, the administration stood steadfast with the result that today the Treasury of the State of New York (which in the first year of the administration was a borrower to the extent of over \$6,000,000 to meet its current obligations) is now on a sound financial basis with ample resources to meet every dollar of liability incurred or projected by the State in the appropriations of the Legislature of 1915 and that of 1916, or by the Legislatures of preceding years.

Story of Departmental Efficiency Told in Following Reports.

In the foregoing I have given you a report of my own work and have told you something of the men whom I have named to fill the important departmental positions of the State.

In the following pages of this pamphlet I submit reports from these departmental heads. These reports I believe demonstrate the ability of these men to render you the same quality of service in governmental business which you expect in private business, and justify my judgment in their selection.

I believe in your interest that you want a continuation of this sort of teamwork and not a return to the conditions in this State that preceded my administration.

These department heads have now reached the point where they are familiar with your business. If I am re-elected this teamwork will be continued; if I am not re-elected many of them will be removed. This is the question you must decide.

Taken together their reports show the results attained by an efficient organization working harmoniously for the good of the State.

CHARLES S. WHITMAN.

HIGHWAYS

ROAD CONSTRUCTION RECORDS BROKEN, GRAFTING ELIMINATED AND THOUSANDS OF DOLLARS OF MAINTENANCE COST SAVED UNDER GOVERNOR WHITMAN

Hon. CHARLES S. WHITMAN, *Governor*:

SIR.—Highway improvement in New York State was commenced by a Republican administration in 1898, and conducted until 1911 under Republican auspices with such success that the United States census of 1911 showed that the valuation of the 22,000,000 acres of farm lands in the State had increased from 1900 to 1910 by three hundred and eighty million dollars, as compared with a decrease of eighty million dollars during the ten years preceding highway improvement.

A comprehensive system of roads was planned; a systematic method of maintenance and repairs inaugurated and the work was rapidly progressing when a Democratic administration obtained control in 1911 with the immediate result that 187 miles of road were built in 1911, as compared with 430 miles during the preceding year, while maintenance and repair, which is recognized as a most vital part of the Department's work, was entirely neglected. The history of the following years of Democratic administration of the Department is a record of incompetency, inefficiency, extravagance and scandal. Over fourteen million dollars of highway money were diverted from the equitable apportionment provided by law and expended in favored localities, leaving important sections of the State entirely unprovided for.

I find that hundred of contracts were awarded upon plans prepared in such haste and with such disregard for requirements that cancellation of contracts amounting to over half a million dollars were subsequently found necessary, and damage claims against the State for enormous sums resulted. Vast quantities of materials were used under specifications so drawn as to exclude competition. Many contracts were awarded for untried and previously unknown types of construction which speedily proved so inadequate as to necessitate changes at a large additional cost to the State. Contracts for over a quarter million dollars in one year were awarded without competitive bidding, and distributed among political leaders throughout the State. Favored contractors were paid extravagant prices one year for placing material which they were paid the succeeding year to remove. The administrative and engineering expense of the Department jumped from nine per cent. under Republican control to eighteen per cent. under a Democratic regime. Insistent demands for campaign contributions were made upon contractors doing work for the Department, and the law prohibiting solicitation of campaign contributions from Department employees was flagrantly violated.

An era of investigation ensued. Twenty-two indictments were found. Convictions of guilty parties were obtained. Final payments amounting to one hundred and fifty thousand dollars have been withheld by the State for noncompliance with the specifications.

No greater contrast can be imagined than that which is shown in conditions as they now exist when compared with those which prevailed during that four-year period.

By strict economy and careful methods of administration and a rigid inspection of all labor and material, together with a constant insistence upon the full requirements of contractual obligations, I have tried to bring the State Highway Department to the highest point of efficiency; and instead of furnishing sensational headlines for the daily press, as was the case during the Democratic four years of administration, to confine the Department to its legitimate functions of rapidly increasing and properly maintaining New York's great system of improved highways.

The work of a great organization, such as the Highway Department, consists of a vast multitude of details. It is the culmination and combination of efficiency in all of these which tends to bring the general efficiency of the Department to its highest point, carrying with it a corresponding degree of integrity. It is along these lines, and in conformity with the standard which you demand of all State departments, that I am now endeavoring to conduct the Highway Department, by a thoughtful study of the requirements in the preliminary stages, the avoidance of the use of unknown types of construction and an orderly and systematic procedure in the work of the Department.

Under this administration expensive advisory boards and so-called experts have been dispensed with. Unnecessary and useless positions have been abolished; appointments have been made from Civil Service lists of persons who have demonstrated their ability for the work which they are to perform; and an efficiency rating plan adopted which, instead of political influence, forms the basis of advancement of employees. Savings to the extent of over \$200,000 were made in the first year of the Republican administration of the Highway Department by the careful and thorough scrutiny to which all plans for highway improvement were subjected before final adoption, and by adaptation of the type of construction best fitted for each particular locality, taking into account the traffic and the availability of road-making material.

For the first time in the history of the Department, proceedings have been taken to secure payment by bonding companies of losses sustained by the State through the failure of contractors to complete their contracts. Civil actions have been brought, and damages in large amounts obtained for payments made upon work improperly performed. The selection of the highways to be improved is now being made solely with the view of completing so far as possible the original system outlined by law, instead of by arbitrary designations of roads without regard for State-wide necessities. Unimproved gaps are being filled as rapidly as possible with a view of providing a comprehensive system of through routes.

During 1915 approximately 1,100 miles of first-class roads were constructed as well as 1,070 miles of town macadam and gravel roads, while contracts for even a larger mileage are now in force and work progressing as fast as possible in view of the extraordinary scarcity of labor due to the European war.

Special attention has been paid to the problem of maintenance and repair, and great economies have been effected in that Department. As the result of a careful study of this problem, the appropriation asked by the Highway Department of the Legislature for maintenance work during 1916 was \$30,000 less than the appropriation for 1915, notwithstanding the fact that the additional mileage of roads to be maintained during 1916 exceeded those for 1915 by a total of between 700 and 800 miles.

Plans for future conduct of the Department contemplate a reduction in the cost of maintenance and repair to the lowest point consistent with the proper up-keep of the roads, and a selection of the highways to be hereafter improved upon lines which will admit of the greatest possible development of through and State systems with the completion of main market thoroughfares for local needs.

Respectfully,

EDWIN DUFFEY,

Commissioner.

AGRICULTURE

THE SCIENCE AND THRIFT OF THE WHITMAN ADMINISTRATION SUCCEED DEMOCRATIC WASTE AND INCOMPETENCY, TO THE GREAT BENEFIT OF THE FARMER

Hon. CHARLES S. WHITMAN, *Governor*:

SIR.—Coming into office April 5, 1915, as Commissioner of Agriculture, I found that the State's funds had been wasted on unnecessary employees and that confusion and lack of progress had prevailed in this department, as in the other State Departments during the Dix, the Sulzer and Glynn administrations.

In accordance with your direction, I immediately instituted a program of economy and cut \$70,000 from the pay-roll of the department, eliminating many employees. Through careful conservation of its forces, the department has been able to render the greatest aid to agriculture despite the reduction in expense.

The support the administration has given to the agricultural schools and institutions which perform fundamental agricultural functions — which ferret out the causes of plant diseases that destroy our crops, and remedies therefor — is well understood and has brought forth the strongest kind of commendation from one end of the State to the other.

No longer is there that feeling in the State that the attitude at Albany is for the breaking down of our agriculture, its institutions, our State and county fairs. The feeling was quick to spread that the administration was bending every effort to up-build and strengthen agriculture, and there is now entire confidence that this effort has produced results.

There is now no laxity in the enforcement of the laws designed to protect the consumer against adulterated food, nor in the enforcement of any of the other agricultural laws, despite the fact that an extensive program for the development of our agricultural interests has been carried out.

In the broad and generous support extended to agriculture, there has been official recognition of the truth that benefit to agriculture is practically benefit to all the industries of the State, and it is because of this that so much has been done to foster it.

That there was lack of confidence in this, as well as in other departments, in the years of Dix, Sulzer and Glynn, was pretty generally realized. It was incumbent upon the Republicans to bring back that confidence, to raise the standards of service and efficiency.

Having placed its program of economy in actual operation, the department instituted a survey, the object of which was to determine what should be done in a constructive way for the benefit of agriculture. An agricultural conference was called and all interested were invited to attend and express their views on remedial measures, and to make any suggestions they saw fit. Representatives of agricultural societies, organizations and interests to the number of one hundred attended this conference. A legislative program was mapped out and a committee of six appointed to prepare recommendations to the Legislature.

The bills, representing State-wide sentiment expressed at the conference, were introduced, a majority of them passed and were approved. Among the bills enacted were those providing for new buildings and extensive improvements in the plants of our agricultural schools and colleges. The farming interests well understand the value of the research work done in these institutions. It is in these that agricultural problems which have long held back our agricultural progress are solved. The scientific methods by which the ravages of various plant diseases are checked and methods of prevention demonstrated, are worked out in these institutions, and ways and means of increasing production are discovered and made clear.

The following liberal appropriations have been approved to the end that this educational work may be extended: Geneva Experiment Station, \$139,000.00; State School of Agriculture at Cornell, \$579,000.00; Alfred University, \$44,000.00; Morrisville School of Agriculture, \$42,000.00; St. Lawrence School of Agriculture, \$37,000.00; State College of Forestry, Syracuse, \$123,000.00; Delta Agricultural School, \$43,000.00; Long Island Agricultural School, \$83,000.00; Cobleskill Agricultural School, \$85,000.00. In most instances, part of the appropriations were used for buildings and equipment for which funds had been refused in the two preceding administrations.

Claims against the State for cattle and horses suffering from tuberculosis and glanders, which had been destroyed, dating back to 1911, were found by the new administration in the department. Failure to pay owners promptly for slaughtered stock had worked a serious hardship upon the farmers and retarded the cause of agriculture. An appropriation of \$780,112.25 was approved in 1915 for the payment of these claims, of which \$432,722 was for claims from one to five years old, and in the budget of 1916 an appropriation of \$235,000 was granted to pay all current claims up to March 1st of this year (all previous claims having been settled out of the appropriation of last year). These latter claims were settled promptly after the appropriation became available early in June, 1916, and the claimants were able thereby to purchase their new stock for use during the present summer.

For the protection of the farmer who sends his products to commission houses for sale, the Department of Agriculture has taken active steps. The commission merchants are required to file bonds, and in cases where they fail to pay for merchandise handled the bonding companies are required to do so. Although the law was enacted several years ago, no provision was made for the distribution of money recovered on bonds until this year when a bill providing for such distribution was approved by you. Representatives of the Department investigate the financial standing of commission merchants and if not satisfactory a bond is required. The first case in which money was recovered on a bond since the law has been in effect was that of a New York commission merchant, and the money was distributed to the producers in July last.

For the purpose of arousing the interest of school children in agriculture, and to obtain records of value, a plan for an agricultural census to be taken by the children was carried out. This census will show the production of the State. It will show the weak agricultural spots and what is needed to develop them and make them as productive as they should be. New York is the first State to carry out such a plan and much interest has been shown by other States in the census. The government reports are based largely on estimates and for the first time the people of this State will know how many bushels of wheat, corn and oats are produced; how many horses there are in the State; the number of cattle, and other information of the greatest importance in the development of agriculture.

An investigation has been instituted to determine the products imported into this State and the reasons why the State does not produce more of the enormous amount of farm and dairy products which it consumes. This investigation is under way and as soon as it is completed the Department will try to point the way to greater production by our own farmers.

In the administration of Charles E. Hughes a definite State Fair improvement and development plan was conceived and partially carried out. During four years of Democratic rule the State Fair was neglected and financial support through State appropriations was refused.

The Whitman administration has given active support to a movement for the further development of the enterprise, and has this year approved appropriations which total \$213,000. The effect of this liberal program will be to stimulate this important arm of the State service devoted to the interest of agriculture.

A campaign to reclaim the abandoned farms in this State has been inaugurated. A bureau of the Department is engaged in pointing out to residents and owners of farms in other States the advantages which New York State farm lands possess, both of proximity to New York

city, the greatest market place in the world, the excellence of transportation, and the adaptability of our soil for various crops, with the result that daily inquiries are made at the Department and in many cases farms are purchased.

Outbreaks of anthrax and rabies have been placed under absolute control and suppressed.

Blister rust was discovered on the eastern line of the State, and its danger quickly recognized by experts of the Department of Agriculture. When this danger was explained to you, you provided for an emergency fund of \$15,000 with which to eliminate it.

The Gypsy or brown-tail moth made its appearance in Westchester county, threatened to spread over the entire State and do great damage to our trees. After a long battle against it, announcement was made that this destructive insect pest had also been conquered.

The Department of Agriculture will continue its policy for the upbuilding of our agriculture. It will continue the work which has resulted in the restoration of public confidence and trust. Every effort will be made to keep the State free from costly and destructive plant and animal diseases. It will strive to people our abandoned farms, with resultant benefit to all of our industries. It will leave nothing undone in the way of showing methods by which our agricultural production may be increased.

This department has put in a great deal of time on the problem of the need of a proper State Market Department, which you so strenuously urged last winter. There is no doubt in my mind that the cost of living can only be properly dealt with by such a Market department so created, a department that will at once assist the farmer up-state to get his products expeditiously and economically into the centers where they are consumed, a department which in the big centers like New York City will provide facilities which do not now exist and minimize the cost of handling and delivery and in other respects save the large existing waste between the producer and the consumer.

I recognize the fact that you have facilitated work along these lines by securing an appropriation for the present Department of Foods and Markets very much in excess of any previous appropriations approved by your Democratic predecessors.

We are co-operating with the Department of Foods and Markets in this important matter and believe much headway has been made with the public. We are very hopeful of important legislation in this matter next winter.

Respectfully,

CHARLES S. WILSON,

Commissioner of Agriculture.

CONSERVATION

STATE'S FIRST DEFINITE POLICY TO SAVE FORESTS, STREAMS AND LANDS ADOPTED BY GOVERNOR WHITMAN

Hon. CHARLES S. WHITMAN, *Governor*:

SIR.—Proceeding upon the broad general lines marked out by you, assisted by you in all things and hampered in nothing, my efforts have been directed toward putting into effect, for the first time in the history of the State, a definite wide-scope policy of conservation of the great natural resources of the State. Although the time allotted has been brief, yet so much has been accomplished with your effective cooperation that it is incredible that any should dream of a return to the old conditions.

All this has been made possible by a far-sighted view of the situation, taken when you assumed office. Then this important department was found to be hide-bound and inert. It was presided over by three political appointees whose purposes were solely partisan. No forward step could be taken by the commission unless by agreement of the commissioners. Their backing and filling, their clogging of every progressive action through disagreement among themselves, is a matter of record in the reports of the commission.

After your insistence had brought about legislation which abolished this expensive three-headed commission with the deputies, which cost the State \$40,500 a year, you honored me with the appointment of sole Conservation Commissioner without restriction. You not only centralized the power but you fixed the responsibility in case of a failure to carry out that which you had determined should be done. In so doing you reduced the departmental cost \$26,500 a year.

Forest Fires Scientifically Prevented or Fought

In no department of this commission are the constructive policies, which you inaugurated, more apparent than in the Division of Lands and Forests, which has complete charge of State owned lands. This land embraces an area larger than the State of Delaware. The Division has jurisdiction over the fighting and prevention of forest fires in a territory greater than the two States of Rhode Island and Connecticut. Upon the maintenance of a forest cover on both the State and privately owned lands in the Adirondack and Catskill Mountains depends a con-

tinuation of the supply of water for turning the wheels of the State's diverse industries. Thus, the work of the Conservation Commission in forest fire protection may be said to come home close to the pockets of every citizen of the State.

More effectively to prevent forest fires, every acre of both State and privately owned land within the fire zone has been examined during the last year to determine its character as to inflammability in order that plans may be made in advance for preventing forest fires or for fighting them if they develop.

The working out of this system in one year for an area of more than four million acres has been a heavy task but one vitally necessary if the destruction of former years were to be checked and a definite systematic policy pursued. It has meant extending to this wide area the exact knowledge and control which every city fire chief has over his own restricted fire district. When a fire starts in New York City, the chief of the district knows not only the character of the building in which it is reported to be, but also the location of every hydrant and pipe line and the dangers in surrounding buildings. He knows in addition just how to fight that particular fire. This system of detailed efficiency has now been introduced into the fighting of forest fires.

With your counsel and complete cooperation, I have advocated and put into effect, so far as was possible, a system of State-wide forest fire prevention to care for the woodland that is interspersed with agricultural land in all parts of the State. The Legislature embodied recommendations, made to this effect, in a bill which received your cordial approval and signature, and the Division of Lands and Forests has since been engaged in putting the plans into operation.

Forest Destruction Prevented

The keynote to an important work of this Department was sounded by you in an address before the Conference of Governors at Boston a year ago. It was that effective steps should be taken to limit the depredations of lumbermen over vital watershed areas. Lumbering on private lands has entered upon its last stage within the Adirondack Park. Railroads have been built into hardwood forests, still standing, that ultimately would end in their being completely destroyed. The high mountain tops that are privately owned and that are covered with dense stands of virgin spruce, of prime importance for the conservation of water and for scenic beauty, are being rapidly denuded. Only 48 per cent. of these vital areas are now State-owned but these important forested sections may be saved from further despoliation by the referendum in November provided by the Legislature at your instigation, to authorize a bond issue of \$10,000,000 for the purpose.

Reforestation Records Broken

The work of reforesting denuded lands, both State and private, has jumped forward during the present administration to substantially double all previous records. Five million forest trees, raised in the five State nurseries, are being planted this year upon the State land in the Forest Preserve. In addition 5,000,000 trees are being distributed this year to private land owners throughout the State, both in agricultural districts and in the forest counties for reforestation of waste and denuded private lands. In cooperation with the State Education Department, the scope of Arbor Day in the schools has been extended, until now the school children plant not two or three trees in the school yards, but acres of forest trees on their municipal water sheds or in other places where the public good is effected.

As a result of the conference between you, the Commissioner of Agriculture and myself, an active campaign has been begun against the white pine blister rust which is creeping in from Massachusetts and which threatens to destroy all of the young white pine in once settled localities unless it is checked. Only the prompt Executive action in authorizing an emergency loan of \$15,000 permits this to be done.

State Lands Rescued From Squatters

It may be asserted here that the active assistance, which has enabled me, through the Division of Lands and Forests and with the assistance of the Attorney-General, to begin the work of the clearing of State land of illegal occupancy, constitutes one of your administration's heaviest claims to the confidence of the people of the State. The Constitution provides that "the land of the State * * * shall not be leased, sold or exchanged or *taken* by any person or corporation" and decisions of the Attorney-General and the courts have held this to mean that permanent occupancy of these lands by any private individuals or corporations cannot be permitted. Moreover, the people have repeatedly registered their wishes in this matter during the last twenty years, when the question of leasing of camp sites has been before them, indicating through their representatives in the Legislature, and in the last Constitutional Convention, that they wished the lands of the State to be kept absolutely inviolate as wild forest lands.

In spite of this express provision of the Constitution, which has been so frequently reaffirmed, cases of illegal occupancy of State lands steadily increased during the last twenty years until when I assumed office, there were 900 cases recorded in the Department with each year bringing its additional crop. The occupants were of all classes, from wealthy camp owners to the poorer Adirondack guides and residents,

who have been the main protection of the woods against fire. No Forest, Fish and Game Commission and no Conservation Commission had been found in twenty years with sufficient courage to undertake the enforcement of the plain provisions of the Constitution.

With your approval, the method of attacking this problem has been personal and human. It was necessary that an abuse of twenty years standing should be ended quickly but at the same time without creating a condition of hardship upon those who were the victims, it might be said, of an immemorial custom. It was done in one calendar year. When announcement was first made of the determination of the Conservation Commission to end the illegal occupancy, it was generally disbelieved. It was necessary to apply the pressure of the law on a few of the more flagrant cases. It was necessary to go into the woods and hold meetings with the guides and residents and discuss the policies of the Administration in this regard with them. Gradually it dawned upon all concerned that this campaign was neither in the interest of political adherents nor the usual empty play to the galleries. Then the counter pressure from those of influence commenced.

The campaign never faltered in spite of that fact. Nine hundred occupants of State lands were there illegally. Special agents were sent to practically every one of them to explain personally the purpose of the State. At the same time, they were told that they would receive reasonable time to vacate and would be allowed to take with them their buildings and other possessions. A few at first voluntarily signed stipulations, then others followed until a veritable landslide of agreements to move flowed into the Albany office. A small number of the cases which the occupants contested upon some ground of doubtful title were referred to the Attorney-General for adjudication. Throughout all of the winter and spring and during the present summer the balance of the occupants have been moving under agreements which required them to be out during the present year. So satisfactory has been this work that on August 1st there were only thirty-five cases, out of the nine hundred of a year ago, which had not been disposed of, either by stipulation to move or by reference to the Attorney-General for contested title, and these thirty-five are now in process of settlement.

Fish Hatcheries Developed

The number of persons who fish in New York State is difficult to estimate. For the conserving of this sport and for insuring the State's food supply of fish, eleven fish hatcheries are maintained, which last year distributed 645,000 fry and fingerlings.

A promise for a further extension of this important work was redeemed when you secured from the Legislature authorization for the

building of a new hatchery at Dunkirk on Lake Erie, for the exclusive propagation of food fish.

The State's fish hatcheries are conceded to be superior to those of any other State and equal in all respects to those of the National Government. The detailed work of planting fish in the streams, however, has been haphazard not only in New York State but everywhere else. To check the loss from loose methods of planting and to make the product of the fish hatcheries fully effective in the waters for which they are destined a detailed study of all the fishing waters of the State has been instituted for the purpose of laying down working plans for their stocking and protection. This work will take several years since the streams have to be studied for the fish life that is in them, for the food supply of fish that may be introduced, for the best method of planting and for the elimination of the pollution that has caused the destruction of the fish in many of our finest waters. This forward step has met with the enthusiastic endorsement of fish culturists of national prominence, and has placed the practical work of fish culture in New York State upon a plane far above any ever before attained in the United States.

Water Power Conserved and Developed

The work of your administration in the conservation and development of the water power of the State will survive the life of any person who may have participated in the task.

Power possibilities on many of the rivers of the State have been surveyed and plans prepared for their physical development during your administration. In addition a constructive policy of water power development has been worked out and placed on the statute books by the last Legislature, by which the State itself will benefit in the years to come. Thus, you have by your counsel and persistence effectually safeguarded for the State an immense potential force. You have insured the development of this as the needs of industry expand and you have guaranteed to the State by a system of compensation full financial returns for any benefits that may hereafter be derived by any municipality, by public or private enterprise.

Saratoga Springs

A greater number of people than ever before in recent years visited Saratoga this year and the return of this wonderful resort to its former position is rapidly becoming an accomplished fact. Your action in transferring the control of the State's property in the State Reservation at Saratoga Springs to the Conservation Commission has enabled this to be done. It has permitted the conservation of its natural resources, its mineral waters and its park area along definite, systematic, scientific

lines and has insured a rational administration of the property in the future.

Your advocacy of a liberal allowance in the budget of 1916 for the development of the reservation and the appropriation of \$152,000 thereby secured, alone made this possible.

Respectfully,

GEORGE D. PRATT,
Commissioner.

CANALS

154 OF THE 290 MILES OF BARGE CANAL NOW OPEN, COMPLETED DURING GOVERNOR WHITMAN'S ADMINISTRATION. GRAFT ELIMINATED, SCIENTIFIC METHODS ESTABLISHED

HON. CHARLES S. WHITMAN, *Governor*:

SIR.—Barge canal construction was practically at a standstill when you took office in 1915. The proceeds from the bond issue authorized by the Barge Canal Referendum Act of 1903, in amount, \$101,000,000, had been practically exhausted and there were insufficient funds at hand to meet the obligations already incurred under contracts which were then in force irrespective of the need for the authorization of new contracts. The situation was that unless a sufficient amount to meet the monthly estimates earned by contractors was made available, all canal construction would stop. The State thereupon would have been subjected to claims by contractors for heavy damages, due to stoppage of their operations, and in the various sections where work was under way, the people would have lost the benefit from the work already completed and which had been paid for.

An appropriation sufficient to permit the carrying on of the canal work until a new bond issue might be approved by the people was at once advocated by you. The possible effect of so large a charge upon the appropriations of the new administration was disregarded and although the situation was not of your own making, steps were taken at once to provide the necessary relief. A bill was passed and it received the Executive approval. It appropriated \$3,654,000. The money was made immediately available for the canal construction work.

Then the passage by the Legislature of a bill, to be submitted to the people, providing for authorizing a new issue of bonds, to the extent of

\$27,000,000, an amount deemed necessary for the completion of the vast project, was urged. It was approved. The proposed bond issue was submitted to the people, favorably recommended and it was adopted by the electors by a substantial majority.

Barge Canal Construction Speeded Up

There was but a small portion of the Barge canal available for use when you took office. There had been completed a short stretch of canal east of Schenectady and about twenty miles of new canal on the western division and the northern half of the Champlain canal. Much work remained on what was known as the Waterford flight of locks and the route of the old Erie canal through Cohoes with its vexatious delays attendant upon the flight of the sixteen locks in that city still in use. With your approval, I announced my determination to place the new route in commission westerly from the Hudson river practically to Schenectady and was successful in doing so. The task was no small one, in that it involved considerable efforts to spur forward lagging contracts. It was on May 15, 1915, that the new Barge canal for a distance of twenty miles westerly from the Hudson river at Waterford was opened for navigation for the first time.

The benefits resulting from this were considerable. It demonstrated to the people the possibilities of the new system. It also resulted in saving approximately two days' time to canal shippers by doing away with the annoyances and delays incident to passing through the so-called sixteens of Cohoes.

The Oswego canal was opened for the first time in four years in 1915. This provided a route for the water transportation of freight which had heretofore been closed.

The administration in the closing days of the season of 1915 made it plain to all persons and corporations holding contracts for canal work that, irrespective of what might have been the practice heretofore, a strict compliance with contracts and the completion dates fixed in the contracts on the various sections of the work would be enforced. The Superintendent, following out the policy laid down by you, insisted that at the opening of the season of 1916 every portion of the Barge canal which by any possibility could be made ready for the use of boats should be placed in commission. In spite of obstacles which threatened the defeat of this administration plan, the State succeeded in throwing open to navigation in May, 1916, the entire stretch of canalized river from the Hudson to a point near Little Falls.

The hurrying forward of Barge canal work was not confined to what might be called the eastern part of the system. The Department of Public Works with its own force completed the excavation of many parts of the new canal channel between Lockport and a point near

Rochester and provided a uniform and suitable depth of water for canal traffic. Taking up the construction contracts on the Champlain division, strenuous efforts were directed towards placing in commission the new channel through the canalized Hudson river so that delays incident to the old route should be eliminated and a through Barge canal channel from Troy to Lake Champlain provided. The task seemed impossible in the time available. The effort however proved successful and at the opening of the present season of navigation shippers were able to make use of the shorter route from the lake to the river. This proved of much benefit not only in the saving of time but also in making it possible for boats to carry larger cargoes than before.

Similar methods for spurring on contract development were applied to the Seneca canal project with the result that about thirteen miles of this improved route, from the deepwater in Seneca lake at Geneva, have been thrown open for traffic.

A summary of accomplishment under the Barge Canal Improvement Act shows that a total of 290 miles of Barge canal channel are now in use, of which 154 miles have been opened to commerce by the present administration. Sections referred to are as follows:

ERIE CANAL		Miles	Miles.
Waterford to Jacksonburg (Mohawk river)		86	
Lyons to Fairport		25	
Greece to Tonawanda		73	
		—	184
CHAMPLAIN CANAL			
Waterford to Northumberland (Hudson river)		26	
Northumberland to Whitehall		35	
		—	61
OSWEGO CANAL			
Mud Lock to Oswego		32	31
SENECA CANAL			
Geneva to a point beyond Seneca Falls.....		13	13
		—	—
Total.....			296

There might be added to this list the improved canal between Mud Lock and Baldwinsville, five miles, and between Three Rivers and Brewerton, ten miles, which, though completed, may not be used in connection with the main line of the canal but which has opened Oneida lake to canal traffic from its westerly end.

It will be plainly seen that there has been an earnest effort made to hasten the Barge canal to completion. Aside from the direct advantage to canal shippers of the new routes of travel, the placing of the

Mohawk river and the Hudson river in a condition for navigation has provided owners of boats, other than freight carrying craft, with opportunities to visit localities of the State not heretofore accessible by water and there has been a corresponding benefit to the interior sections. The accomplishments of the Whitman administration in making available for use the new sections thrown open to navigation within the past eighteen months have demonstrated to great manufacturing industries the possibilities of water transportation.

Another evidence of administration interest in the waterways of the State was the approval in 1915 of an appropriation of \$300,000 for the purpose of making up a deficiency in the funds for maintenance and operation of the canals. The preceding administration, for political reasons, failed to provide for actual payroll needs to that amount. This appropriation burden was unhesitatingly assumed.

Efficient Operation Demanded

With the beginning of the operation of the new Barge canal came the necessity for the highest type of mechanical and engineering skill. In place of the primitive equipment of the old canals, complex modern machinery had been installed. The whole character of the canal from an operating standpoint was changed. The canal was now a great modern engineering device, and its enormous original cost, together with the new and expensive type of operation called for, made imperative the application of efficiency and economy and the best business ability in operation, otherwise the operating cost would immediately have become prohibitive.

The Superintendent of Public Works arranged with the Civil Service Commission for the holding of competitive examinations to test the knowledge and skill of all applicants for service. Every position which had any important bearing upon canal operation or the maintenance of its structures was placed in the competitive class. Appointments to these responsible positions were made from the eligible lists. The results obtained have been most satisfactory.

The new locks are manned by men skilled in the mechanical trades and in addition to proper operation of the machinery entrusted to their care, they have been able to make needed repairs from time to time without added expense to the State. The change in the personnel in this branch of the service has been much appreciated by canal users. The navigation of the canals and the use of the locks have thereby been placed on a business-like basis. There is reason to believe that at the present time the lock organization of the Department of Public Works, man for man, is equal in ability to any similar force in the employ of any other corporation or great business enterprise. Every effort has been made by the State to attract to the service

ambitious young men and to insure a tenure of office to those found faithful and efficient.

The Department of Public Works has declined to permit even the minor positions to be filled without an examination of the qualifications of the men seeking the employment. This course has resulted in securing a higher type of men for the work. Grades have been established through which employees may advance as vacancies occur. Every employee has been encouraged to fit himself for advancement in the service.

Efficiency in the highest degree has been sought. Employees have been encouraged by the offering of prizes for the highest standing both as to condition of operating machinery and appearance of structure and grounds. The plan has proved successful. Mechanical parts have been kept in perfect condition and many incidental improvements have been made to the lock structures without additional expense to the State.

Unnecessary employees have been eliminated from the service. Canal patrolmen have been done away with except in a few instances. The regiment of bank watchmen of former years has been reduced to a squad. No man has been employed unless there has been service to perform. Appointees have been compelled to give full time and attention to duty.

Prosecuting the Settlement of Claims

The Legislature upon your recommendation abolished the office of Special Examiner and Appraiser and placed the work of that official under the charge of the Superintendent of Public Works. There was in existence in the Department of Public Works a Bureau of Claims, the work of which traversed practically the same ground as covered by the Special Examiner and Appraiser. Instead of appointing a new official to the position, as was permitted under the law, the Appraiser's work was consolidated with that of Claims Agent in the Department, and under this consolidation the employees of the Claims Bureau performed the work previously performed in the Department of Special Examiner and Appraiser. The expense of the latter department, about \$22,000 a year, was thereby eliminated.

Hundreds of claims against the State for land appropriated for Barge canal purposes existed early in 1915. Steps were at once taken to make an adjustment of all claims possible, and the settlement of claims without recourse to the Board of Claims was encouraged. Where settlements could not be made direct, arrangements were made for a compromise of disputed points before the Court of Claims. The State made every effort to see to it that those from whom land had been taken by the State received the just and fair value of the property and without delay.

Where the demands of claimants were excessive or doubts existed as to the State's liability and satisfactory compromises could not be effected the State's defenses have been carefully prepared and the claims pushed for trial before the Court of Claims. Complete evidence is at hand in each case noticed upon the calendar at the terms of court and there is not a single record wherein the trial of a case was postponed by reason of delay on the part of the State or failure to prepare a case. There were 1,429 claims filed between February 1, 1915, and August 1, 1916, on account of the canals. Every claim has received study and investigation by the Department.

There have been 276 amicable settlements with property owners covering 309 parcels of land during the past eighteen months. Speedy justice and a definite decision is assured all who have a just grievance. All claimants have been notified that the State will not permit the indefinite running of interest charges against the State. The negotiation of a friendly settlement or a trial in open court on the issues involved has been the rule of the Department.

Efficiency in Other Directions

Many economies have been effected in departmental finances. A system of accounting of State property, patterned after the method used in the United States Army, has been installed. There have been frequent inventories of State property and a plan was placed in operation whereby every article purchased could be traced from hand to hand until utilized in permanent construction or destroyed. There has been a material saving in waste and loss of State property.

A considerable portion of the thousands of acres appropriated in connection with the Barge canal work is not in actual use by the State. The use of canal lands by private parties has been permitted only upon payment of a fair rental and considerable revenue has been derived by the State. There was collected in 1915 from this source and from the sale of sand and gravel on State land the sum of \$32,325 as compared with \$20,000 in the previous year. The indications are that the revenue from these sources will be much larger the present year.

Canal property was opened to all who cared to make use of it prior to 1915. Laws were enacted upon my recommendation making it a misdemeanor to trespass on State property without lawful authority or to erect any building thereon or to remove from State land any materials or growing things without permission. There was also enacted a law making it a felony to interfere with or attempt to operate any of the locks, bridges or gates. These laws have been strictly enforced and the State will protect, through the department, its rights in its own property. A proper depth of water is maintained

in the waterways during the entire season. There has not been a single complaint as to lack of water on the Western Division during the present administration. The maintenance of a navigable depth in that section has been a serious problem in the past but rules and regulations were adopted concerning the discharge of water from the canal so that complaints have been avoided.

Many improvements not directly connected with canal maintenance, but for which the canal was responsible, have been undertaken and completed and the work paid for out of the regular departmental appropriations without seeking special funds from the Legislature. One instance which may be cited is the dredging of the canal and the slips at Buffalo which had heretofore been permitted to fill to such an extent that boatmen were unable to approach near enough to the various docks to unload or receive cargoes. Over 80,000 cubic yards of material were removed by the department in 1915 and miscellaneous repairs made to the canal walls in that city.

Respectfully,
WILLIAM WALLACE WOTHERSPOON,
Superintendent of Public Works.

LABOR

WISE AND WELL-CONSIDERED LAWS IN THE INTEREST OF WAGE-EARNERS MARK ADMINISTRATION OF GOVERNOR WHITMAN. ALL LEGISLATION HURTFUL TO LABOR VETOED

Hon. CHARLES S. WHITMAN, *Governor*:

SIR.—The acts of your administration in behalf of labor have been definite and effective. In your first message to the Legislature you called attention to the conditions prevailing in the Department of Labor and in the Workmen's Compensation Commission, and asserted then that the departments were filled with unnecessary and incompetent employees, were failing of their avowed purpose, and required an immediate reorganization.

Followed then approval of the bill for the creation of an Industrial Commission, consolidating the Department of Labor and the Workmen's Compensation Commission, at the same time abolishing the position of Commissioner of Labor, the positions of Compensation Commissioners and the ineffective Industrial Board of the former Labor Department, which Board was wasteful of time and of money, and had become solely

a tool of party politics. Thus at the outset it may be said that not only was the wage-earner aided, but the administration affairs of the State centralized and waste abolished.

Scientific Consolidation

The Industrial Commission, with the advice of the Industrial Council, has made long strides in consolidating and reorganizing two great departments and administering the laws safeguarding the interests of the wage-earner, and provided for the payment of just compensation to injured workmen and their dependents. The consolidated departments have been administered solely in the interest of all the people. This has only been possible by a wise and just Executive attitude toward legislation affecting this vital interest.

It may be mentioned that important among these legislative measures which must be credited to the Whitman administration are the provisions for the direct settlement of compensation claims and providing for advance payments by employers. The experience of more than a year in the operation of these laws has proved them to be of the greatest value to the wage-earner. Compensation may now be arranged between the employee and his employer by agreement without waiting for the long and sometimes tedious process of hearing by the Commission followed by an award with the possibilities of appeal and other delays. All such agreements, however, are inspected and carefully examined by the Industrial Commission to make certain that in no case is an employee permitted to compromise his claim for anything LESS than the full amount provided by law.

The advance payment feature has also worked a great advantage, especially in the relief of distressing cases, and an employer may now make payment to his injured employee or dependent immediately and from time to time as necessity arises, the employer receiving full credit when an award is made for all advance payments made by him. In thousands of cases such advance payments have brought bread to the mouths of the hungry, saved homes for dependent families, where otherwise there would have been no bread and no home.

Workmen's Compensation Act Broadened

The Act of 1916 amending the Workmen's Compensation Law vastly strengthened and broadened the scope of that measure. It extended the operation of the law to cover many hazardous employments not included in the former measure, and also changed the definition of the word "employee" to bring within the law many classes of persons who had been excluded under decision of the court.

It also brought within the scope any person injured in a hazardous employment carried on by the State itself, or by any city or other sub-

division of the State. A section of the amendment of 1916 which will work to the advantage of both employer and employee is that which provides for the system of optional compensation applying to all activities and industries, whether hazardous or not. This optional or elective system will enable employers and employees in the nonhazardous industries to bring themselves under the operation of the Compensation Law and will eliminate what has heretofore been a source of constant litigation. It will tend to establish a just and equitable method of compensating employees who have suffered an injury in the course of their employment, whether that employment is defined as hazardous or otherwise.

The courageous veto of the omnibus bill to amend the Labor Law during 1916 should never be forgotten by the wage-earner. It may be recalled that in your veto message you said:

"While this proposed measure has some admirable features, nevertheless it contains other amendments which are so objectionable and tend to break down and weaken the present law, that it is impossible for me to give it my approval."

The Whitman Vetoes

This bill provided that under certain conditions women might be employed in the canneries for twelve hours a day and until as late as twelve o'clock midnight, for not exceeding twenty days in a season. That measure went the way of a similar measure the year before, throttled by Executive veto.

There were provisions contained also in this measure tending to break down some of the safeguards in factories. Concerning that it was said that if there were to be any changes they should be in the direction of increasing rather than decreasing safeguards.

Another veto of vast importance related to a proposal to give to the old Industrial Board the right to suspend the enforcement of any mandatory provision of the Labor Law, such suspension to be effective until the next meeting of the Legislature. This bill was attacked by you as being not only unconstitutional in giving to an administrative board the power to suspend an act of the Legislature, but it was also pointed out that it would give to this Board a power which might be abused in many respects.

Still another veto killed a proposal to exempt salt refineries from a provision that no person should be employed more than six days in a week. This was merely an instance of a specific industry seeking an exemption from a law fundamentally in the interest of the wage-earner.

In the matter of appropriations the reconstructed Department of Labor has received not only sympathy but active cooperation in all cases. Appropriations for positions deemed unnecessary have been

struck out. In doing this the support of some employees and their friends may have been alienated, but there is no doubt that the great mass of people of the State who are coming more and more to understand that the business of the State should be conducted on economical principles and with the same regard for efficiency as in the case of a privately managed business heartily approve every step taken.

Economy, but with no loss in efficiency, has been the watchword of the administration, and it may be said that a saving to the taxpayers of \$214,862 for the fiscal year beginning July 1, 1916, is indicated in the report to you from the State Industrial Commission. The several departments whose duties were taken over by the State Industrial Commission had asked for appropriations aggregating \$1,616,120. While this amount was not appropriated, nevertheless the State Industrial Commission received \$881,822.19 by legislative act to carry it over the rest of the fiscal year, out of which it saved \$180,000.

Based upon these expenditures for five months of its existence the State Industrial Commission asked for an appropriation of \$1,252,410 for the present fiscal year. As compared with the budget estimates of the consolidated departments prior to consolidation, this represents a saving of \$363,710. As compared with actual expenditures of the old departments prior to consolidation, it represents a saving of \$214,862. The effect of this economy upon efficiency may be well summed up in your own comments upon the report:

“I believe that this has been accomplished by the Commission not only without impairment of the activities of the Departments, but with a very great gain in efficiency, due to the consolidation of numerous bureaus and elimination of unnecessary detail.”

Respectfully,

JOHN MITCHELL, *Chairman,*
State Industrial Commission.

PREPAREDNESS

STATE MILITIA BROUGHT UP TO FEDERAL STANDARD AND LEGISLATION SECURED IN WHITMAN ADMINISTRATION TO CARRY OUT PLAIN CONSTITUTIONAL PROVISIONS

Hon. CHARLES S. WHITMAN, *Governor:*

SIR.—The Constitution of the United States imposes upon the Congress the duties of raising and supporting armies and of provision for organizing, arming and disciplining the Militia.

Under the Federal Militia Law in force at the time I assumed office, there had been prescribed for the organization of the Militia of this State a tactical division.

I found that to complete the divisional organization would require the formation of 14 supply companies, 12 headquarters companies, 12 machine gun companies, 2 additional field hospitals and 1 additional ambulance company. Pursuant to your direction and authority, all of these units have been organized and are now fully uniformed, equipped and have received recognition from the War Department.

The Coast Artillery Corps of the State was short four companies. Two of these companies have since been organized and mustered into the State service. The requisite number of men have been enrolled for the remaining companies and are soon to be mustered.

We have organized 2 aero companies, a complete field bakery company, a supply train and an armored motor battery. Through funds obtained by private subscription, the motor battery has been supplied with 4 armored motor cars, 8 auxiliary cars, 70 motor cycles and 8 motor cycle trailers. The organization has been fully uniformed, armed and equipped, with the exception of machine guns for the cars, and has been inspected by the War Department with a view to Federal recognition.

Chapter 793 of the Laws of 1913 directed that the Adjutant-General should organize and equip a colored regiment of infantry in the city of New York, such regiment, when organized and equipped, to become part of the National Guard of the State. No steps had been taken by prior administrations toward the organization of this regiment. Pursuant to your direction, this organization has been started and is well under way. It is to be known as the Fifteenth Infantry. Six companies have already been mustered into the State service, and the remaining companies will be mustered as soon as the requisite number of men are enrolled.

To complete the brigade formation of the Naval Militia of the State, I have provided for the organization and secured the equipment, since I have been in office, for 2 line divisions, 1 signal division and 1 marine company. Two aeronautic sections have been organized and equipped since January 1, 1915. Steps are under way to form 2 additional divisions, which will complete the Naval Militia Brigade Organization prescribed by the Navy Department.

The Federal National Defense Act recently passed by the Congress of the United States, which became a law June 3, 1916, requires that the National Guard of the State be increased to approximately 36,000 enlisted men. The provision is that "The number of enlisted men of the National Guard to be organized under this Act within one year from its passage shall be for each State in the proportion of 200 such men for each Senator and Representative in Congress from such State,

* * * and shall be increased each year thereafter in the proportion of not less than 50 per centum until a total peace strength of not less than 800 enlisted men for each Senator and Representative in Congress shall have been reached." When I assumed office, there were approximately 16,000 enlisted men in the National Guard of the State. At the present time we have a total enlisted strength of approximately 26,500.

I found, upon assuming charge of the office, a large number of claims and accounts against the State, aggregating thousands of dollars, which had been allowed to accumulate by previous administrations. Most of these accounts were for field exercises which had been undertaken during years when no appropriations were available and for which no provision had been made for payment. Other accounts were for maintenance items allowed by the Military Law, prescribed statutory allowances for organizations against which they had incurred obligations, but for which no appropriations had been made. Special appropriations were made by the Legislature of 1915 to meet these just accounts, and they have now all been settled.

A deficit of \$114,120.81 was found in the clothing allowance accounts, due to the fact that organizations had been allowed to draw clothing in excess of the Federal allotment, the deficit each year being charged to the Federal allowance for the following year. This deficit was partially provided for by a special item of \$30,000 in the deficiency bill of 1915. By changing the method of issue, placing it upon a basis of requisition for actual requirements instead of by allotment, the deficit has been entirely wiped out.

One constant source of annoyance and difficulty to organization commanders at the time I assumed office was found in the method then in force of accounting for public property. Accountable officers were required by regulations to keep property accounts, but no uniform system had been prescribed, and there were as many different systems of keeping the accounts as there were organizations. At stated intervals they were required to prepare inventories and returns. The system contemplated that the returns filed should be checked with the property accounts in this office, and the accountable officer informed of any difference, and proceedings taken, upon the receipt of inventory, for the adjustment of lost or the disposition of unserviceable property. I found that the property accounts were not in agreement; that returns had not been checked for several years. I prepared and put in operation a uniform system of property account, which combines, in one form, all that was formerly required by the account, inventory and return. The new form works admirably and is considered by accountable officers a direct saving of at least two-thirds of the time formerly consumed in the preparation of inventories and returns. The new form shows, at all times, the state of accountability for each article of public

property, and in the case of loss or unserviceability provides a prompt method of disposition. The property returns of all organizations have been checked during the past year. The organizations have been relieved of all unserviceable, unsuitable and obsolete property, and the same treated by survey proceedings, in accordance with Federal requirements, and the State and organizations relieved of further accountability and responsibility for the same.

Stivers Bill Enacts into Law Provisions of the State Constitution

In your speech delivered in Buffalo early this year, you said:

“It is the compulsory training of the American youth that I advocate, holding it to be the one true base of the citizen soldiery idea.”

In the same speech you declared flatly that you had no sympathy with the outcry against compulsion, and you have frequently expressed yourself, both in public speeches and in conferences with me on military matters, as being strongly in favor of universal compulsory service in time of emergency, holding that in such times, the volunteer system sent to war the most patriotic citizens, and permitted the “slackers” to avoid the supreme obligation to country.

To write these convictions into the laws of the State, I have worked with the legislative committees having charge of military affairs, to frame and have passed bills which would cover two basic principles; the first, the enforced recognition of the obligation of universal military service for the citizens of our State in any time of military necessity; second, to provide for the physical instruction and training of our youth, so that upon attaining the age of citizenship, they will be best qualified to assume the duties and obligations which are reciprocal to the rights of citizenship.

The so-called Stivers bill which was passed as a result of that work, and which you approved on my recommendation, was merely the enactment into law of the provisions of Article 11, Section 1, of the State Constitution, which requires that all able-bodied male citizens between the ages of eighteen and forty-five years who are residents of the State shall constitute the militia.

The Military Training Commission

The law establishing the Military Training Commission, also approved by you upon my recommendation, after a public hearing, will result in the broadest and most universal application of the correct principles of physical training to the youth of our State, that can be found anywhere in the world. Any charge that this bill will result in bringing to young manhood a class of citizens who will be obsessed with

the ideas of militarism is utterly confounded by an examination of the terms of the bill. If the present Military Training Commission, or any of its successors, follow the provisions of this law to the utmost degree possible under the terms of the law, it will do no more than to bring the youth of our State to the age of citizenship, physically prepared to meet all the obligations of citizenship, whether for national defense in time of war or for the pursuits of peace. They will make for a better physical manhood, which, if ever necessary for upholding the honor of their country, will enable the coming generations of New York State to withstand the rigors of modern warfare. They will tend to a more virile manhood, a manhood which will stand out among that of nations, as strong, ever-enduring and a credit to the Empire State.

Mobilization

On June 18, 1916, the President of the United States called upon the Governor of New York to furnish for Federal service one battalion of signal corps; two battalions of engineers; one regiment, one squadron and one machine gun troop of cavalry; two regiments of field artillery; three field hospitals; four ambulance companies and nine regiments of infantry. This original call was later supplemented by calls for a supply train, an ammunition train, a pack train company, a field bakery company, two aero companies, one field hospital and one regiment of field artillery.

When it is understood that the State authorities were required to assemble these troops at their home stations; recruit them to war strength; prepare the mobilization site for the reception of troops by the installation of a water system, erection of buildings, construction of latrines and baths; transport the troops from their home stations to the mobilization site; and to subsist and pay the troops from the date of the call to the date of muster into United States service, the magnitude of the undertaking becomes apparent. In addition the State authorities were required by the Military Law immediately to organize new units to take the place of those called into the Federal service.

The organizations included in the original call were all assembled at their home stations within from two to eight hours after the receipt of the order to assemble by their respective commanding officers and were either mustered into the United States service or sent to the mobilization camp in accordance with instructions from the War Department.

The place of mobilization designated by General Leonard Wood, Commanding General, Eastern Department, was Camp Whitman, Green Haven, Dutchess county, a site which had been acquired by the State for a farm industrial colony, but which had never been used for that purpose and, after an inspection and approval by regular Army officers appointed for that purpose, had been made temporarily available for a

military camp for mobilization purposes. The health of the troops assembled at this camp was better than in any previous camp of the National Guard. Valuable assistance was rendered by the State Highway Department in repairing roads in the vicinity of Camp Whitman, and by the State Health Department, in supplying typhoid vaccine for the inoculation of troops and in furnishing experts for duty at the camp in connection with the water supply. All the problems of the mobilization were promptly and efficiently met by those charged with the duty of assembling the troops.

Responsibility for Lack of Equipment Placed

The problems presented by the recent mobilization have brought home to this Department, as well as to the Federal military authorities, and, in fact, to the people of the entire country, the points wherein we must make broad and vital changes to bring our organization for national defense to the point of efficiency which has been attained abroad. It would be superfluous for me to call to your attention the details of these problems with which we were faced in this Department. We do know from the experience of the past year, that we must have a more efficient and active co-operation with the Federal military authorities when call for duty comes.

As one example of the cooperation which must be secured, I would cite to you the matter of equipment. The Federal authorities had found it impracticable, prior to the call for mobilization, to issue to the State authorities more than sufficient property to equip the peace strength of our organizations. The President's call carried with it the obligation to increase our organizations to war strength. The equipment, under the law, had to come from the Federal government, and the fact that they had not previously allotted to us the equipment necessary for war strength numbers resulted in delays for which criticism was levelled at both State and Federal authorities.

Realizing, when I came into the office of Adjutant-General, that this situation was bound to arise and result in delay and confusion at the time of call into Federal service, I had sought to secure from the Federal authorities the necessary equipment for the war strength. Had this been done, the recruits who left our armories would have left there in the same uniforms and with the same equipment that was in the possession of the oldest enlisted man in any of our organizations.

With the lesson before us of the delay caused by this one regulation, I am sure that this defect will be corrected before another emergency could arise. I quote this to you merely as one striking example of the problems which have faced this Department during mobilization. I am satisfied that with the experience gained, these and other similar problems will be promptly solved in the near future.

This Department faced, during the last few months, the first call for Federal service in eighteen years. Under entirely new conditions the State of New York promptly met the call, assembled its troops within twenty-four hours of the call for service, and sent to the border a force of more than 15,000 men ready for any service which they might be called upon to perform. It is a record in which the State can justly take credit and satisfaction.

Respectfully,

LOUIS W. STOTESBURY,
The Adjutant-General.

PUBLIC SERVICE

FIRST DEPARTMENT COMMISSION, ENTIRELY SELECTED BY GOVERNOR WHITMAN, WINS THE CONFIDENCE OF LABORING MEN AND FORESTALLS GREAT STREET RAILROAD STRIKE

Hon. CHARLES S. WHITMAN, *Governor:*

SIR.—A special and extraordinary service which the Commission of the First District has been able to render to the community since I became Chairman was in connection with a great surface railroad strike in the city late in July and early in August of the present year.

The reason that we have been able to accomplish this result is that the membership of this Commission, made up as it is wholly of your appointees, is not hampered by politics or by any other considerations than a determination to serve the public. Because of this fact we have been able to command the confidence of the railway employees of this city and of their representatives, as these men have found that the power which we have to make public all the facts in a controversy assures them the support of the community so long as their acts are fair and just and within the law. We have also been able to convince the railway operators that they will be protected just so far as they live up to their agreements and abide by the law.

The city was confronted with a strike of all its surface lines which would have materially paralyzed the community and imposed on our people incalculable discomfort, hardship and dangers.

The Commission, although without power to arbitrate, or to fix the compensations or hours of labor of employees on the railroads within the municipality, had authority to inquire as to conditions in the event of failure of the railroads to operate under their franchises and under the service schedules established by the Commission.

The strike began on the Yonkers and Westchester lines and extended to the Union Railway in the Bronx and then to the entire Third Avenue system, afterwards to the lines of the New York Railways and to the Queens and Staten Island lines. The Commission on August 1st, when the strike had involved the Bronx lines and before it had affected the New York Railways and its associates, began an inquiry into the facts leading up to this industrial disturbance. Because of the impartiality and fairness with which this inquiry was conducted, the Commission from the start won the confidence of both the labor leaders and the railway operators to the extent that the representatives of all the railroads already under strike, and those where strikes were impending, and the representatives of the strikers and of organized labor, consented to come together under a procedure which had been planned by myself as Chairman of the Commission and agreed to by my associates.

The Mayor, joined with me, and together, acting as friends of both parties in the controversies, we brought about an agreement with the Commission as an agency of record which stopped the strike, returned to work those who had already gone out, and referred all matters in dispute to informal conference and, if that failed, to arbitration. At the time this result was accomplished the strikes already inaugurated had practically paralyzed the railroad systems affected.

Subway Construction Strike Settled

Another industrial situation in which I was able to be of service to the community occurred early in the present year, when a strike was threatened on all the subway construction work now under way in New York City, and was actually declared on part of it. The direct financial loss to the city of any delay in the progress of this work would have been very large and might have been followed by great injury to the work already partly or wholly completed. Both the contractors and the employees in this controversy accepted my services as advisor in the dispute, and it was settled promptly to the satisfaction of both sides under an agreement which will continue until the construction work now under way is completed.

Public Confidence Restored

With respect to the routine work of the Commission, I was able from the beginning to put in operation those good government policies for which you stand and to carry out which you chose myself and my associates.

We started at once to put our house in order and to try to recover for the Commission the confidence of the public which had been seriously impaired by the methods and measures of the preceding administration. Although our service has been short, I am satisfied that we have made

substantial headway in this respect and have accomplished at once your declared purpose to take the Commission of the First District out of politics and make it solely an agency to compel fair dealing and proper service on the part of public utility corporations within our jurisdiction.

I have to report in this respect that since the Commission has been made up wholly of your appointees, every one of its official acts has been the unanimous act of the Commission. Complete harmony has been possible because each member has had only one purpose in mind, and that was honest and loyal service to the public.

We found the Commission from one to two years behind in its work, and absolutely unprepared with respect to a proper accounting system for its future great duty as a partner in the dual subway operation. We have practically caught up with the work in arrears and done a large amount of the work preliminary to the installation of a general accounting plan.

A revision of the uniform system of accounts for railroads, electric and gas companies has been undertaken which when completed should establish the standards for this form of accounting for all the Public Service Commissions of the country.

In our work for improved transit conditions, through our regulative authority we have based our demands on fairness to the corporations as well as to the public.

Respectfully,

OSCAR S. STRAUS, *Chairman.*
Public Service Commission, First District.

HEALTH

MORTALITY LOWERED AND STATE-WIDE EFFICIENCY INCREASED BY GOVERNOR WHITMAN'S UNCEASING LABORS IN BEHALF OF THE STATE DEPARTMENT OF HEALTH

Hon. CHARLES S. WHITMAN, *Governor:*

SIR.—The work of the State Department of Health has assumed such proportions as makes it a difficult matter to bring within reasonable limits a comprehensive summary of all lines of activity. Soon after the reorganization of the department we ventured to predict that 25,000 lives could be saved in New York State outside of New York City within a period of five years, provided only that adequate support was afforded by the Governor and the Legislature. The feeling was perhaps

natural enough among those who are not familiar with modern public health work that any such prediction was a mere guess, or the expression of a hope, and was not founded upon scientific facts. Such an assumption, however, is far from being the truth, for it has been shown very clearly that the prediction is justified. In 1915, so many low records in the amount of sickness and death in the State were established that the result cannot fail to be considered most significant. The number of lives actually saved outside of New York City, as compared with the death rates for the three years preceding 1913, was approximately 4,000. The death rate for 1915 was the lowest in the history of the State. There were nearly 2,000 less deaths from the more common forms of communicable disease in 1915 than in 1910, notwithstanding an increase in population of nearly 300,000 during this same period. The total death rate, the infant mortality rate, the death rate from tuberculosis, typhoid fever, scarlet fever, diphtheria, measles and whooping cough were the lowest in the history of the State, and we cannot well avoid the conclusion that these reductions have been the result of the intelligent and vigorous application of scientific measures for the prevention of these diseases.

The courageous support of the work of the State Health Department by the Whitman administration resulted in substantial concessions being made by the Legislature in the appropriations of the present year. For years the Department laboratory has been housed in an old remodelled stable with "lean-tos" added, with quarters that are much congested and where the work is conducted with great difficulty and at great risk of fire and constant danger to the health of the workers. As it is only through extensive and effective laboratory work that the principal benefits of the Health Department of the State can be extended to the suburban and rural communities, those being districts where no laboratory facilities are available, there was an active effective interest in the project for a new laboratory. During the appropriation period of the present year you advocated, and promised your approval of, an appropriation for a suitable laboratory if the Legislature would consent. As a result an authorization of \$100,000 was passed this year and signed for a new laboratory building, of which \$25,000 was made immediately available.

A suitable site for this laboratory has been selected in the city of Albany in a location favorable for cooperation with other departments engaged in similar work and far removed from the residential centers.

The importance of a laboratory to the health of the State may be understood when it is realized that from it is distributed to the physicians of the State all of the antitoxins and vaccines which are used in modern medical warfare, and that in a laboratory are also made examinations for the diagnosis of disease from material submitted by the

physicians for culture. In addition, a laboratory is the center for research work and for the study of abnormal and unusual disease manifestations which may develop throughout the commonwealth.

State-Wide War Against Infantile Paralysis

We are now dealing with a serious situation which presents problems both unusual and extraordinary. Early in July of this year the State of New York faced the most extensive epidemic of poliomyelitis in history. The need was apparent for prompt and effective measures requiring large and unusual expenditures to provide competent physicians and nurses to deal with many cases of the disease.

Through your wise action in providing an Emergency Fund to be expended as needed, the handicap under which we were laboring — lack of a sufficient number of Sanitary Supervisors — was removed. Branch offices have been established at Roslyn and at Middletown, N. Y. Trained diagnosticians, bacteriologists and nurses have been provided so that at this time the Department has a field force of such size and competence as to make it possible for it effectively to cope with the epidemic.

This, however, has been made possible by the hearty support accorded by the Governor, the State Comptroller and the Civil Service Commission.

But even with the epidemic under control, our work is by no means finished, for in the wake of this disease are left hundreds of children doomed to go through life permanently crippled unless proper remedial measures are taken. I am, at this writing, making arrangements to retain the services of an eminent surgeon who will organize clinics throughout this State so that the medical profession at large may become familiar with the methods necessary to prevent deformities in convalescent cases. It will also be necessary to enlist the services of a corps of nurses trained in the care of such cases, so that those of our people who are unable to bear the expense of expert medical attention and skilled nursing care may secure the same treatment as those more fortunately situated.

Other Phases of the Progress in Health Department Work

An important phase of the work of the State Department of Health has been its endeavors to bring home to the people of the State, both in urban and rural communities, the methods by which sanitary improvements can be made so as to diminish disease and death. This has been accomplished in a large way by the use of exhibits, charts, diagrams and models accompanied by a trained nurse, which have been shown throughout the various communities of the State, particularly demon-

strating how the enormous death toll of children can be reduced and giving particular attention to those subtle diseases which affect persons of more mature years, and those necessary sanitary measures which should be taken in the more rural districts for safeguarding the milk and water supplies and for the prevention of communicable diseases.

One of the results of this activity has been the appreciable diminution in infant mortality — the number of deaths of infants under one year of age per thousand births during the year has diminished from 120 in 1913 to 99 in 1915, and there has been a constant diminution for the first six months of the year 1916 compared with the first six months of the year 1915.

The Department has also been enabled to enforce the Vital Statistics Law, as it believes that vital statistics is the fundamental basis of determining whether sanitary measures bring about the results for which they are enacted.

The Health Department has also rendered what service it could to the other Departments of the State government, especially cooperating with the Department of Education in administering the law requiring the medical inspection of school children and in advising with that Department regarding various matters of school hygiene.

Many intricate problems have come up in regard to sanitation and the disposal of sewage from the various institutions of the State, and the Department has acted in hearty cooperation with the Department of Agriculture, the Hospital Commission, the Prison Commission and other Departments who have in their administration the control of the various State institutions.

Department Work at Mobilization Camps

Only recently the Department offered its service to the Militia of the State, which as soon as it had been mobilized at Camp Whitman was furnished with a sufficient amount of typhoid vaccine so that all unvaccinated soldiers and new recruits could be promptly immunized. In addition the Department sent a water analyst engineer to the Camp, who made an immediate survey and recommendations as to the method by which an adequate and safe water supply could be obtained. A bacteriologist was stationed at the Camp, who made a careful examination of the water and who also examined a large number of soldiers, engaged in the preparation of food in order to detect the presence of typhoid carriers. This work met with the hearty approval of the commanding officer and the Adjutant-General.

An Aid to the Department of Agriculture

There has also been energetic cooperation between the Departments of Health and Agriculture, and insofar as has been practicable the laboratory facilities of the Department have been made available for

the Department of Agriculture in the examination of foods and in the making of special investigations for the control of anthrax. The Department of Agriculture has also been interested in having the Department of Health make use of the State and county fairs for the purpose of disseminating sanitary information to the many thousands of people who annually visit these important institutions.

Governor Whitman Successful in Placing Quarantine under Federal Control

Although officially not within the scope of this Department's jurisdiction yet any report on the constructive work for the general health by your administration would be incomplete if reference to your far-sighted act of transferring the burden and responsibilities of maintaining a quarantine station and health officer at the Port of New York, to the Federal Government, were omitted. By this the United States Public Health Service is enabled to exercise a purely Federal function and the State is relieved of a constantly increasing expense. An excerpt from your message to the Legislature, January 5, 1915, sets the date when active, effective effort to bring about this result was initiated:

"I recommend, for the same reason (that it did not represent a proper State function), that the office of the Health Officer of the Port of New York be abolished as soon as arrangements can be made for the carrying on of these duties by the Federal government."

This recommendation was supplemented by a legislative bill prepared at your request which was passed and signed. The act provided for a commission to transfer the Quarantine Station and the service of the Health Officer of the Port of New York to the United States authorities. This will be done without expense to the State.

The future needs at the Quarantine Station and at the hospitals on Hoffman and Swinburne Islands are very great and extensive improvements must be made.

If the station and hospitals had continued under the control of the State a very large investment, probably in excess of \$1,500,000 of State money would have been required within the next two years. This in itself was an important reason for transfer to Federal control at the present time because the expense would have been a heavy burden upon the State, and it was recognized that the State had urgent calls upon its treasury for purely State activities, rather than for investment in the plant of an activity which was almost exclusively Federal in character.

History of the Movement to Federalize Quarantine

In 1892, a number of physicians in New York city, members of the New York City Academy of Medicine, realized the dangers that existed at the Quarantine Station at Staten Island and felt that it would be a wise procedure if the quarantine of New York State at the Port of New York were in the hands of the Federal Government. Efforts were made by the Academy of Medicine and other bodies for a period of years to accomplish this but without success. The position of Health Officer of the Port, a highly important one, has been the target of political criticism at various times. Five years ago a vicious and unjust attack was made upon the then Health Officer of the Port, Alvah H. Doty, M. D., with the final result that he was removed from office in order to make place for one of a different political complexion. As a result of this political activity, New York City physicians again interested themselves and carried on a steady and efficient campaign, enlisting the sympathies of various other organizations in New York, and presented the matter to the present administration during the first year of its incumbency.

Upon complete investigation of the facts by you it was learned that the Public Health Service of the United States, under the direction of the Secretary of the Treasury, had gradually acquired the control of quarantine at the various ports of the United States until, in the year 1915, there remained only the ports of Boston, Baltimore and New York. During that year Boston was added to the Federal quarantine.

The number of immigrants coming into the port of New York far exceeds that coming into all the other ports together. The danger of admitting disease consequently is here greatest and one which affects not New York State alone but the country as a whole. It seemed, therefore, that all the States should contribute rather than place the burden of expense wholly on the State of New York.

For this reason it was successfully urged that the above mentioned bill be enacted into law.

A representative of the Public Health Service of the United States was then appointed as Health Officer of the Port, thereby placing quarantine practically within the control of the United States government in the spring of the present year.

Respectfully,

HERMANN M. BIGGS, M. D.,

Commissioner of Health.

ELECTIONS

THOUSANDS OF DOLLARS OF STATE APPROPRIATIONS SAVED AND EFFECTIVE ENFORCEMENT OF THE LAWS ACCOMPLISHED UNDER GOVERNOR WHITMAN

HON. CHARLES S. WHITMAN, *Governor*:

SIR.—Under Governors Dix, Sulzer and Glynn the salaries and expenses of the State Department of Elections were \$349,900 per year. There were three State Superintendents of Elections, three Chief Deputy Superintendents, one hundred and seventy-five Deputy State Superintendents, and four hundred temporary deputies.

Under the Whitman administration the salaries and expenses of the Department were \$196,240 a year. There is only one State Superintendent, one Chief Deputy Superintendent, eighty-three Deputy State Superintendents and one hundred and fifty temporary deputies.

There was a net yearly saving to the State, as compared to the preceding Democratic administration, of \$153,660.

This saving to the State has been accomplished because you ordained that the Department of Elections should be operated on a business-like basis and not as a corner in the State administration where jobs are to be provided for party workers.

The saving to the State has not curtailed the efficiency or impaired in the slightest degree the serviceability of this division of the State government.

It is another demonstration of the contrast between Democratic and Republican administrations as conducted in Albany.

There existed a triple-headed, inefficient commission in the State Department of Elections when you came into office with intimate knowledge of election abuses gained in the District Attorney's office in New York county. Immediately a bill to do away with this expensive form of departmental administration was favored. A law was passed by a Republican Legislature and approved, under which I had the honor to be appointed State Superintendent of Elections.

A speedy reorganization of the Department of Elections was brought about. The facts indicated above show what has been accomplished for the "man who pays the bill."

Three State Elections Superintendents received \$5,000 each per year under the Democratic Governors; three chief deputies received \$4,500 each per year. Under the present Republican administration

the one Superintendent receives \$5,000, and the one Chief Deputy receives \$4,000 per year.

The Democratic administrations made the senatorial district the basis for operation throughout the State; the Whitman administration has made the judicial district the basis. Work formerly accomplished by six or seven deputies is now looked after by one, the latter appointed because of efficiency rather than political expediency.

Deputies are now held to strict accountability for the section in their charge. The actual performance of honest effort to the State is greater.

The Democratic administrations maintained twenty-five branch offices and three main offices. The number of branch offices is now reduced to seven and the main offices to one.

The basic principle on which rests the value of the Department to the State is the challenge list. A challenge list is only as strong as the accuracy of the compilation. Sixty-eight per cent. of the names on the challenge list for 1913 voted; seventy-two per cent. of the challenge list voted in 1914; only six per cent. of the names on the list for 1915 attempted to vote. This was brought about with one-third of the force utilized under the Democratic administrations.

Over nine hundred "convenient" voters were stricken from the registry lists in New York last year, where the men had registered from police station houses, Turkish bath houses and fire houses. The courts held that these places could not be held as legal residences.

Fifteen or twenty election boards were removed for dereliction of duty at primary elections because they did not pay close attention to challenges. This had a salutary effect upon inspectors generally.

In 1913, with fully three times the number of deputies, there were 284 arrests and 16 convictions. In 1914, there were 160 arrests with 30 convictions, and in 1915 there were 172 arrests and 43 convictions, with between thirty and forty cases still pending.

Respectfully,

FREDERICK L. MARSHALL,
State Superintendent of Elections.

CIVIL SERVICE

TRUE REFORM INSTITUTED AND MERIT THE TEST FOR STATE EMPLOYEES IN WHITMAN ADMINISTRATION

Hon. CHARLES S. WHITMAN, *Governor*:

SIR.—When the Whitman administration went into office January 1, 1915, it found a Civil Service Commission, the record of which was one of wholesale disregard of the constitutional and legal rights of the State's employees. The whisper of the ward boss was found more

potent in appointment and promotion than the standing of the candidate in an examination. The doctrine of promotion for efficient service had been disregarded in many cases, in favor of the doctrine of promotion as a political reward. An inferior class of workers presented themselves for examination to enter the State's service as a result of this situation. The better class of workers would not waste effort in a contest which was not to be decided on merit. Employees already in the State's service received little or no encouragement for the energetic performance of duties, wherever political influence interfered in favor of another.

It required only brief consideration to find that this condition in the Civil Service of the State was one of the fundamental defects underlying all the mismanagement and political spoilsmanship in the four years of Democratic government which produced a procession of three Governors in two terms — Dix, Sulzer and Glynn. From this condition had come the vast overloading of departmental and institutional service of the State and the padding of the payrolls with political favorites who appeared in the office only on pay day. Department heads of the Whitman administration as fast as they took office were able to strike off the payrolls thousands of dollars which had been wasted in the previous four years for political payroll purposes.

In seeking the vital defect in the organization of the State's business, it was found most conspicuous in the administration of the Civil Service and immediately steps were taken to affect a reorganization of the Commission. This reorganization was possible because of the policy laid down by you at the beginning. It is the only platform upon which men genuinely attached to the cause of Civil Service reform may take office.

Real Civil Service reform, it was announced then, demanded as its representatives men who would be entirely above and beyond all demands of partisan politics, men who would apply the principles of Civil Service in the spirit of the Constitution and the law; men who would conduct the office from which should radiate the real efficiency of the State's entire business organization, to the same degree shown in a highly organized private business.

Having selected your Commissioners you aggressively supported them in each and every move they made to administer not only the letter but the spirit of the law. This support and the courageous energy which it engendered increased by a definite percentage the efficiency of the employees of the State who are in the Civil Service classification. It gave to them the assurance which had been lacking the previous four years, that merit and industry would be recognized.

The Annual Report of the Executive Committee of the New York Civil Service Reform Association sums up the twenty months' accomplishments of your administration impartially and authoritatively in these words:

"The conclusion is that under Governor Whitman, the merit system has steadily advanced and been generally restored to its proper place in the State Government. It is generally understood throughout the State, that the Governor will support the principles of the merit system and there is evidence that respect for and compliance with the Civil Service Law has been correspondingly increased."

Respectfully,

SAMUEL H. ORDWAY, *Chairman,*
Civil Service Commission.

TAXES

DRASTIC REFORMS AND EFFICIENT ADMINISTRATION UNDER GOVERNOR WHITMAN BRING MUTUAL BENEFIT TO THE STATE AND TO THE TAXPAYERS

September 1, 1916.

Hon. CHARLES S. WHITMAN, *Governor:*

SIR.—By way of review of the work of the State Tax Department during your administration, the Tax Commission has the honor to submit the following:

Your Commission took office on the 15th day of April, 1915, and immediately after organizing made a survey of the conditions which had developed under the old State Board of Tax Commissioners. It was found that reports of deplorable conditions had not been exaggerated. There was no working organization worthy of the name; offices were crowded with useless employees, whose salaries added greatly to the expense of the Department, but whose work will be looked for in vain by those who believe that the State should receive a day's work for a day's pay; thousands of dollars were paid out in salaries and expenses to those who never did any work, rarely appeared at the Department, and whose sinecures even included the receipt of their salary checks by mail.

Important decisions in various cases had not been made, resulting in the deprivation of the State and localities of hundreds of thousands of dollars in taxes which were justly and legally due, defective reports were received and hidden in out of the way places only to be discovered by chance months later, important letters were unanswered and altogether the situation was one of confusion, inefficiency and general demoralization. As a first step toward putting the tax work of the State upon a proper basis, the Commission drastically changed the

structure of the administration for the purpose of creating an organization that should do the work in an economical and effective manner. It then proceeded to purge the roll of employees of all unnecessary names, and to create a real working force with which to conduct the tax business of the State. There is not to-day a single employee on the rolls of the State Tax Department who is not doing necessary, honest and capable work.

Naturally under the circumstances which prevailed during the years when the Democratic party was in control the work could not be kept up to date. Upon assuming office the present Commission found that there were thirteen appeals from equalizations which had been made by boards of supervisors, all of which were in the condition known to lawyers as *in statu quo*. Nothing was being done to bring these important cases, each of which involved vast interests, to a definite decision. Within one year after taking office all these cases save one had been closed, and this one is now ready for final decision.

Centralized Administration

One of the radical changes made by the Tax Law of 1915 was to transfer the Corporation Tax Bureau from the Comptroller's office to the State Tax Department. This was for the purpose of instituting the progressive idea of centralization in tax administration. Under the new arrangement the Corporation Tax Bureau has proved to be exceptionally efficient in its work.

In 1914, the Bureau yielded in corporation taxes...	\$11,634,000
In 1915	11,235,000
In 1916 (estimated)	12,250,000

This is the largest amount of corporation taxes ever obtained by this State in any one year. This is a gain of over \$1,000,000 over the collection of last year. It has been done simply by the proper enforcement of the law, under which all corporations have been treated exactly alike, and the application of better and more effective business methods, particularly in the following up of delinquent corporations.

Special Franchise Taxes

At the beginning of the present administration the work of assessing special franchises was found to be in exceedingly bad shape. There was no responsible executive head for this work; no fixed policy of procedure; an embarrassing lack of supervisory authority; duplication and neglect of work; and failure of cooperation on the part of those charged with the administration. The work of special franchise valuations is one of the most technical and highly specialized functions of the State Tax Department. It demands the services of trained men

who must estimate the values of all public utility properties according to the same principles, if all franchise-owning companies are to be treated alike. Yet there was no satisfactory method in use for valuing the special franchises of steam railroads. In the matter of valuing the special franchises of telephone and telegraph companies it was found that more than one hundred such companies had failed to make any report whatever to the Commission, as they are required to do by law; corporation reports were found promiscuously scattered around the office, tucked away in obscure corners, thrown into boxes and crammed into almost every drawer of the desks and tables. The only way to find one of these original reports would be to search the furniture of the entire department. The facts in these reports had been very imperfectly transferred to the working sheets and the computations based thereon had only partially been completed. It was also found that a large percentage of these reports, on which the special franchise valuations were supposed to be computed, had been acknowledged and accepted in an entirely incomplete condition, no effort having been made to obtain the missing data, and thus the department was estopped from further inquiry. Many other reports were found concerning which letters had been written to the companies making them, asking for additional information, and to which letters no replies had ever been received. No effort had been made to follow up these inquiries although some of the letters had been written as long as six months before. Companies had frequently been requested to furnish information which had already been repeatedly furnished by them. Many reports had never been acknowledged, although received at the department in some instances as long as five months before. Neither memorandum nor note could be found to indicate the cause for this chaotic condition nor any information to show whether further investigations of the reports were requested or had been made. All this has now been changed. Valuations are made by competent engineers appointed from the competitive Civil Service lists according to fixed principles enunciated by the courts. As a result of the application of proper business methods to this work the valuations of special franchise property in the State for the year 1916 will show approximately an increase of \$65,000,000 more than those for the year 1915 — the valuation for 1915 having been mostly made by the former State Board of Tax Commissioners while yet in office. The figures for special franchise assessments are as follows:

In 1914.....	\$604,000,000
In 1915.....	580,000,000
In 1916 (estimated)	645,000,000

An estimated increase in 1916 over 1915 of approximately..... \$65,000,000

Mortgage Recording Taxes

At the beginning of the present administration the same disorganized state of affairs was also found in the work of supervising the administration of the mortgage recording tax. In fact it is somewhat difficult to convey any distinct impression of the utter demoralization into which this work had fallen. Ralph E. Thompson and Seth T. Cole, men who had administered the Mortgage Tax Law since its inception and who were thoroughly acquainted with every detail of the work, were removed from office for political reasons by the preceding Democratic administration. It was due to this fact that error followed error, and omission succeeded omission, until the whole work sank into dire confusion. County treasurers were ordered to refund mortgage taxes when no basis for such refund had been established. By such orders alone the State was defrauded of many thousands of dollars. The Mortgage Tax Law was repeatedly construed contrary to the opinions of the Attorney-General. In cases of mortgages, involving many millions of dollars of principal indebtedness, which covered property within and without the State, determination of the taxes due was indefinitely postponed. Official certificates and orders of the Commission were transmitted without the signature of the secretary or the seal of the Commission. Excess sets of books not required under the law were sent broadcast over the State at wasteful expense; approval of payments of expense for mortgage tax moneys was given without regard to the work done; the account books of the mortgage tax business in the State Department were found to be such a mass of error that the services of an experienced bookkeeper were necessary to straighten them out; no effort had been made to compel the filing of annual statements showing what advances had been made on Corporate Trust Mortgages and the liability for taxes in the cases of delinquent corporations; large quantities of mortgage endorsement stamps had been ordered which, when delivered, were found wholly unsuited to the requirements of the work. These are a few of the complications which confronted those who, at the outset of the present administration, were required to take charge of the administration of the Mortgage Recording Tax.

Reinstatement of Efficient Employees

One of the first acts of the present Commission was the reinstatement of Mr. Thompson in his position as head of the mortgage tax work. This was done without prejudice to his rights in his suit for reinstatement, and subsequent to this action of the State Tax Commission the Supreme Court decided that he had been removed illegally, in defiance of civil service principles and without warrant of law. A similar decision had previously been made in the case of Mr. Cole who had already been reinstated by the court in his position.

Tax Receipts Brought into Treasury

On April 15, 1915, when this Commission assumed office, 17 mortgages covering real property within and without the State were awaiting a determination by the State Tax Department as required by the Mortgage Recording Tax Law of the amounts to be paid to the State and to the localities interested. The aggregate amount of the indebtedness secured by these mortgages was \$149,999,900. On this indebtedness an aggregate tax of \$131,540.95 had been paid, all of which was being held back from the State and the various localities to which it was due, by the respective recording officers awaiting the determination and apportionment of the old State Board of Tax Commissioners. All these mortgages were determined and apportioned within one year from the time when the present Commission took office, which means that the entire tax of \$131,540.95 had been made available to the State and the various districts entitled to its distribution. In addition, 200 mortgages covering property situated in two or more tax districts, which were awaiting decision on April 15, 1915, have been determined, and as a result of that work about \$200,000 in taxes were made available in November, 1915, which ought to have been available for distribution in November, 1914. In all, between April 15, 1915, and January 1, 1916, the present State Tax Commission has disposed of 660 cases of mortgage tax apportionment and realized for distribution to the State a total amount of \$239,820.88.

Proper Supervision Inaugurated

One of the duties of the State Tax Department is to examine the records of the county clerks of the State to see whether the mortgage recording tax has been collected on all instruments subject to taxation and the computations correctly made, and also to ascertain whether all taxes collected have been regularly accounted for. It was found on the 15th of April, 1915, that thirty-two counties of the State had never been examined for this purpose, although during the period between July 1, 1914, and April 15, 1915, seven auditors had been employed for the purpose of making these examinations and their combined salaries amounted to upwards of \$1,400 a month, exclusive of traveling expenses. During that entire period a complete and detailed examination had not been made in a single county. Since that time complete examinations have been made in twenty-two counties, and it is confidently expected that the entire sixty-two counties of the State will be completed within the next year. It should be stated here that since the reinstatement of Mr. Thompson in 1915, conditions in the Mortgage Tax Bureau have been radically changed and with the exception of the examination of County Clerk's offices, which is proceeding as rapidly as possible, the work is now abreast of current demands.

Local Assessments Adjusted

The Tax Law of this State requires that all taxable property real and personal, not exempt by law, shall be assessed at full value. The reason for this provision is that all property may bear its fair share of the tax burden, and that the State may receive the revenue to which it is entitled. When the present Commission took office, it found that this section of the law was not being carried out, and that large amounts of property were either being greatly undervalued or else were not being assessed at all. The Commission immediately started a statewide movement to induce the local assessors to comply with this provision of the law. As the main instrument for the accomplishment of this purpose the Commission established the Bureau of Local Assessments — an entirely new creation of the present Commission. By its agency in the application of systematic method, local assessment conditions throughout the State have been vastly improved. Erroneous assessment-rolls have in the past been responsible for large losses to the State. In one year in the Forest Preserve counties, twenty-six times as much tax was rejected on account of errors in the assessment-rolls as was collected. By close supervision these errors have been largely eliminated. Assessment values have been improved throughout the State and it is estimated that the total assessed valuation of real and personal property for the year 1916 will exceed that of 1915 by approximately \$300,000,000. The total assessed valuation of real property in the State

In 1914 was.....	\$12,070,420,887
In 1915 was.....	12,274,000,000
In 1916 (estimated) approximately.....	12,575,000,000

Lower Taxes Result of Efficiency

This will be by far the largest amount of real property value ever placed upon the assessment-rolls of the State of New York. It represents an increase in 1916 over 1915 of approximately *three hundred million dollars*. *This vast increase in value cannot fail to lower the tax rate in nearly every community in the State, and to make lower taxes consequent upon reduced expenditures.*

Conditions obtaining under the old State Board of Tax Commissioners have been entirely changed. Wastefulness and extravagance have been replaced by a properly economical administration; the department makes regular quarterly reports to the Governor of its administrative operations, supplemented by a quarterly financial statement complete in every detail showing disbursements and balances of appropriations; chaos and confusion have been transformed into orderly procedure; Civil Service appointees have taken the places of political hench-

men; disorder and demoralization have given way to coordination and efficiency. The Commission is strongly of the opinion that the results achieved during the present administration conclusively proved the wisdom of the action of the Chief Executive in advocating the creation of the State Tax Department for centralized administration of the tax work of the State in line with the policy of the other states of the country noted for improvement in tax administration.

Respectfully submitted,

STATE TAX COMMISSION,

MARTIN SAXE,

President,

WALTER H. KNAPP,

Commissioner,

RALPH W. THOMAS,

Commissioner.

PRISONS

DEMOCRATIC MISRULE ENDED. SING SING CELL BLOCK TO BE DEMOLISHED. NEW FARM AND INDUSTRIAL PRISON UNDER WAY

Hon. CHARLES S. WHITMAN, *Governor:*

SIR.—Governor Hughes realized that real prison reform was impossible under the physical conditions at Sing Sing, Auburn and Clinton prisons and he initiated the project for a new prison to take the place of the worst of these — Sing Sing. The Democratic administrations of Governors Dix, Sulzer and Glynn, which followed, wrecked that movement for a substitute for Sing Sing, threw the working organization of the Prison Department into a turmoil of politics and favoritism, and succeeded only in their evident determination to delay, where they could not stop, prison reform.

Advocates of prison reform, with or without official position in the State service, were antagonized at every step. The central authority of the Prison Department was dominated by politics and for political purposes. Thomas Mott Osborne, who had succeeded McCormick as warden of Sing Sing, found that every move he made for reform was checkmated in the Superintendent's office. He brought to the attention of the Governor one instance after another of this antagonism, but proof in a State's prison is difficult to get and the Governor insisted on having incontrovertible evidence before removing the Superintendent of Prisons, John B. Riley.

A visit of personal inspection to the four great prisons of the State led to the official announcement that the Governor of the State was determined to revive and drive through to completion the project, first inaugurated in the time of Governor Hughes, to build a substitute for Sing Sing. During the legislative session of 1915 every endeavor was made to force action on this important work, but because of the pressure of other matters the effort was not successful that year. In the 1916 Legislature, however, definite action was brought about, which resulted in two new construction projects to replace the Sing Sing cell house. The first contemplates the demolition of the old cell block at Sing Sing and the erection, upon the hill overlooking the present prison property, of a modern prison cell house; the second is the rehabilitation of the move to provide New York State with another large farm and industrial prison, supplementing the work the State has already started at Great Meadow. This plan had its inception under Governor Hughes, when it was intended to locate this prison at Bear Mountain. Because of the objections of adjacent property owners and because of developments at Palisades Park, it became necessary to transfer this prison plan from Bear Mountain to Wingdale. This was done during the latter part of the administration of Governor Hughes. Preliminary contracts for the erection of a prison at Wingdale were entered into, but shortly thereafter, during the Dix administration, the construction was stopped. In the succeeding Democratic administrations of Sulzer and Glynn not the slightest attempt was made in any way to relieve the terrible conditions at Sing Sing prison due to overcrowding and to the bad location of its cell blocks.

A commission has been appointed for prison construction projects which will guarantee the completion of this important phase of the prison reform work. By the law creating the commission the State Architect, the Superintendent of Prisons and the Superintendent of Public Works are members of that body, and to these three have been added Elbert H. Gary and Charles Bulkley Hubbell. Mr. Gary is widely known as a philanthropist with deep interest in prison reform. His large experience and high standing give guarantee that he will bring to the work of this commission the highest type of executive driving power. Mr. Hubbell was formerly president of the Board of Education of New York city. His interest in prison reform work has been demonstrated by many years of quiet and effective service in the movement for a real reclamation of convicts. This commission will pass upon not only the question of location of the new farm and industrial prison to take the place of Sing Sing but also on the type of construction to be used both at the new prison and in the new cell house to be erected at Sing Sing.

As an example of the effective handling of the Prison Department

on a basis of real reform and proper cooperation with the other departments of the State, there was suggested in the tentative budget, and later approved in its final form, an appropriation of \$50,000 for road construction by prisoners. The Superintendent of Prisons and Highway Commissioner Duffey are now cooperating in the work of using honor men of the prisons in road construction work within a limited radius of the four great prisons of the State.

The record shows then that on entering office January 1, 1915, you found a Prison Department with medieval equipment and housing, an organization in a turmoil because of political mismanagement and a general situation wherein no constructive measure had been proposed for four years. This has been changed by executive direction into a situation wherein the construction problems of the department are met fairly and squarely, the organization has been restored to an efficient working unit of the State's business departments, and cooperation to extend both the activities of the department and the privileges of the prisoners has been made possible.

The following table shows in detail the principal appropriations for the construction and equipment of prisons approved during 1915 and 1916:

Prisons				
Description	Total Authorized	Appropriated 1915	Appropriated 1916	Total Appropriated
<i>Auburn:</i>				
Toilet facilities ...	\$3,000 00	.....	\$3,000 00	\$3,000 00
<i>Clinton:</i>				
Sewage	3,000 00	\$3,000 00	.....	3,000 00
Tuberculosis hos- pital	75,000 00	75,000 00	.....	75,000 00
New bake ovens...	5,000 00	.....	5,000 00	5,000 00
Spur track	10,000 00	.....	10,000 00	10,000 00
<i>Dannemora:</i>				
Northwest wing ..	40,000 00	20,000 00	20,000 00	40,000 00
Repairs, kitchen ..	2,000 00	.....	2,000 00	2,000 00
Furnishing south- west wing	2,000 00	.....	2,000 00	2,000 00
Engine and gener- ator	6,000 00	.....	6,000 00	6,000 00
<i>Great Meadow:</i>				
School	20,000 00	20,000 00	.....	20,000 00
Officer's cottage ...	5,000 00	.....	5,000 00	5,000 00
Shop building	50,000 00	.....	50,000 00	50,000 00
<i>Matteawan:</i>				
Steam boiler	9,500 00	9,500 00	.....	9,500 00
Cow barn	2,400 00	.....	2,400 00	2,400 00
Dining room, etc..	60,000 00	.....	25,000 00	25,000 00
Bakery	2,500 00	.....	2,500 00	2,500 00
Carried forward..	\$295,000 00	\$127,500 00	\$132,900 00	\$260,400 00

Description	Total Authorized	Appropriated 1915	Appropriated 1916	Total Appropriated
Brought forward	\$295,000 00	\$127,500 00	\$132,900 00	\$260,400 00
<i>Beekman or Wingdale:</i>				
Construction	1,250,000 00	.....	200,000 00	200,000 00
<i>Sing Sing:</i>				
Water supply, etc.	3,000 00	3,000 00	.....	3,000 00
New buildings, etc.	750,000 00	.....	200,000 00	200,000 00
	<hr/> \$2,298,400 00	<hr/> \$130,500 00	<hr/> \$532,900 00	<hr/> \$663,400 00

Respectfully,

JAMES M. CARTER,
State Superintendent of Prisons.

THE INSANE

BETTER ACCOMMODATIONS AND BETTER TREATMENT INSISTED UPON BY GOVERNOR WHITMAN IN FACE OF VICIOUS ATTACKS. HIS PLAN FOR SCIENTIFIC SEGREGATION AS AN AID TO ECONOMIC HOUSING

Hon. CHARLES S. WHITMAN, *Governor:*

SIR.—In meeting the problem of how best to care for the insane wards of the State, the first year of your administration was compelled to face a bitter attack from many directions which seemed bent on an attempt to force the veto of practically all items for hospital construction on the ground that they were needless expenditures.

This attack, which came at the time of the consideration of the appropriation bills of 1915, was met by your response that you intended to allow and approve every item of hospital construction which provided additional beds and housing capacity in these institutions.

Suitable provision for the care and the treatment of the mentally afflicted was assured by this attitude, and in contrast to the preceding administration's policy this announcement served notice on those who were blindly attacking the appropriations that they would have to center their criticism on some point less vital to the welfare of the State.

The records show that Governor Glynn, in the year in which he sought election as Governor, vetoed all appropriation requests for hospital construction. In 1915, however, when the appropriations for

hospital construction were up for final executive action, the Superintendents and representatives of the Boards of Managers of these Institutions were called to the Executive Chamber and asked to prove the necessity of each item of construction appropriation. Where the institutional representatives, supported by the State Hospital Commission authorities, demonstrated that the construction of new buildings was necessary to relieve overcrowding, the items were approved and the necessary authorization provided for carrying on the work to completion.

Like the accumulated debts in the business departments of the State, the hospitals had also been forced to accumulate a definite indebtedness during the four years of Democratic Administration. In the case of these institutions, however, the indebtedness was humane, rather than financial, because by the ruthless exercising of the veto power over hospital construction items in the preceding years, these institutions, with an ever increasing population, and without new buildings in which to house this population, became overcrowded to a scandalous degree.

The Whitman Administration was forced to assume the financial burden of an amount of construction for these institutions that in the natural course of events should have been spread over three years, and was forced to assume this obligation in its first year. In spite of the magnitude of this burden, you as Governor, in your public hearings on the appropriation bills, in the spring of 1915, sought only from the hospital authorities the definite information whether each construction item submitted represented a real necessity in the care of the insane wards of the State. On this basis alone, the construction items were approved or disapproved.

A Record of Four Years

Official figures for four years present a striking comparison. They may be set forth as they appear on the records:

Governor Whitman, in 1915, approved appropriation items, including reappropriations and supplemental appropriations for the State hospitals, approximating \$1,842,778. Of this amount, about \$1,043,000 was for new construction including Mohansic hospital.

Governor Sulzer, in 1913, approved construction items of approximately \$665,225, exclusive of repairs.

Governor Whitman, in 1916, approved construction items, including repairs, amounting to \$364,220.

Governor Glynn, in 1914, the year he sought re-election, did not approve a single item for construction among the State hospitals. He approved an appropriation of \$150,000 for repairs, upkeep, equipment, etc., for \$35,000,000 worth of State property.

The appropriation bill for 1914 carried a total of \$6,285,911.89 for the maintenance of the State hospitals for the insane, of which \$35,000 was a reappropriation, this appropriation being for the fiscal year beginning October 1, 1914. The Supply Bill of that year provided an item of \$275,000, instead of the \$600,000 asked, to supplement the appropriations for the preceding year, which were inadequate, and the entire appropriation for miscellaneous repairs, improvements, emergencies and equipment for the fourteen hospitals having plants valued at \$35,000,000 was only \$150,000. There were no appropriations made that year for new construction.

In 1915 you as Governor approved appropriations of \$6,490,965 for the maintenance of the State hospitals, or over \$200,000 more than was appropriated the previous year for this purpose. In addition, the Supply Bill for 1915 appropriated over \$600,000 to supplement the inadequate appropriations of Governor Glynn in 1914 for maintenance of these institutions. The 1915 appropriations for new construction were notable, amounting to over \$700,000, not including \$300,000 for the Mohansic Hospital. The principal items were \$200,000 for additional accommodations for patients at the Brooklyn State Hospital and \$110,000 for additional accommodations at Kings Park State Hospital. These appropriations were to relieve conditions in the metropolitan district. The bill also provided \$200,000 for a new power plant and equipment at the Manhattan State Hospital, Ward's Island, preparatory to making additions at that institution; \$100,000 was appropriated for the completion and equipment of the power house at the Middletown State Hospital to provide for a large addition to that institution, as advocated by you, after a thorough study of the situation; and \$38,500 for addition to power plant, coal trestle, etc., at Binghamton, required by increased accommodations soon to be available at that institution.

The above does not take into account the appropriation of \$300,000 for construction and equipment of the Mohansic State Hospital, which has since been abandoned at your insistence, in view of the great opposition which has been made to continuing this hospital, and this money remains in the treasury.

The total appropriations for the insane for 1915 amounted to over eight and a quarter million dollars against less than seven million dollars appropriated in 1914, this increase being made up of over \$1,000,000 appropriated for new construction and over \$300,000 appropriated to supplement deficient appropriations for maintenance of the Glynn administration.

The appropriations made by the 1916 Legislature for the maintenance of the institutions for the year beginning July 1, 1916, were sufficient for humane operation, the amount appropriated for maintenance being \$7,278,256.32. The appropriations for construction

were important, \$200,000 being authorized for additional accommodations for patients at the Manhattan State Hospital and \$200,000 for similar purposes at the Central Islip State Hospital, and \$96,500 was made immediately available to get this construction under way.

Overcrowding Relieved in 1916

During the years 1916 and 1917 construction work in progress will provide accommodations for 1,856 additional patients. Inasmuch as the annual net increase in the population of the hospitals is approximately 700, this will provide for the net increase during the current year and give an additional thousand beds towards relieving the excessive overcrowding. This estimate is exclusive of the accommodations which will be provided from the appropriations made by the 1916 Legislature and approved by the Governor, which should nearly take care of one year's annual increase in population.

The purpose, as stated in the public hearings on the budget, is to provide additional accommodations as rapidly as possible, particularly in the metropolitan district where the need is so urgent, thus avoiding the necessity of transferring large numbers of patients from New York to up-State hospitals far from relatives and friends.

The total appropriation for hospital purposes for the fiscal year which began July 1st, was \$7,647,476.32.

Financial Saving to State

In this connection it should be borne in mind that the above figures take no account of moneys earned by the hospitals and turned into the State Treasury. Where patients have property or responsible relatives able to pay for their care, the State requires such payments to be made and collections from this source, together with receipts from the sale of old material and other miscellaneous sources, turned into the State Treasury, amount to nearly \$600,000 a year. Collections on account of maintaining patients are increasing, as the expenditure of funds which enables the Commission to employ special agents whose duty is to investigate the circumstances of all patients admitted to the State hospitals has received executive approval.

At a conference between you and the State Hospital Commission, held last October, plans were approved for the extension of the outpatient department work in connection with the State hospitals. Since that time, nine new free dispensaries have been established in various cities of the State under the direction of expert physicians from the State hospital staffs. These clinics are attended by large numbers of cases in the early stages of mental disorder, with the result that many of them are given such treatment that commitment to a State hospital

is avoided. The saving to the State in this quarter alone in the increase of the happiness and health of the citizens of the State is very large. At the same conference, plans were approved for a field-worker in connection with each hospital. The field-workers have been of great value in increasing the number of patients on parole, inasmuch as some supervision of this kind makes it possible to discharge many patients at an earlier stage of their recovery than would otherwise be possible. The increase in the average number of patients on parole in their own homes, during the last two years, has amounted to 203 patients. Figured at the average cost of maintenance of \$210 per capita, this means an annual saving to the State of approximately \$42,630.

Governor Whitman Finds Hospital Crowding Due Largely to the Great Population of Harmless Cases

Following personal observation of the character of many of the patients found in visits to the insane hospitals of the State, you directed a special investigation to be made to determine to what extent the overcrowding of the insane hospitals was due to the presence of the so-called almshouse type of patients who are harmless and more or less helpless, mostly suffering from senile dementia. Under the existing laws these patients are properly included among those to be cared for by the State, but their care does not require the elaborate and expensive housing and attention necessary for the so-called disturbed or violent insane. If, however, these harmless cases tended to crowd the institutions, the natural result was that accommodations for the disturbed patients were restricted and their care and cure made more difficult.

The conclusion was reached from the results of the investigation and also from observation that a very large percentage of the inmates of the State insane institutions were of the type described who required for their housing the simple dormitory style of structure, and that their care should be of a low cost compared to the care of the violent type, and that the mixing of these two classes of patients in institutions equipped for the care of the violent insane made an unnecessary added cost, both in the character of the structures built and the cost of maintenance and operation.

Throughout the hearings at which the representatives of the institutions for the insane were present during the tentative budget conference in the winter of 1915, inquiries were pursued along these lines. The representatives of each institution were asked what the percentage of these harmless and helpless cases was to the total of each institution and if they could not be safely and more comfortably housed in ordinary dormitories, rather than in the wards of the institutions equipped for the disturbed insane.

In each instance the superintendent of the hospital replied in the

affirmative and agreed that the structures already completed and provided for would meet the medical needs of the disturbed patients for several years to come if the surplus population of harmless cases were otherwise provided for.

As a first step in the movement for this new method of handling the problem of the State insane, you suggested that with the withdrawal of the State institution from the New York city watershed at Mohansic, the overcrowding in the metropolitan hospitals should be relieved by the construction of additional dormitory accommodation at Middletown, which location is almost as accessible to the metropolitan district as the abandoned site at Mohansic.

The development of the plan in this respect will, it is believed, be one of the most important steps in alleviating the condition of the insane wards of the State which has been suggested since the law was enacted which removed these so-called almshouse cases from the jurisdiction of the counties and made their care an obligation of the State.

Principal Appropriations for Construction and Equipment of Insane Hospitals Approved

The following table shows in detail the principal appropriations for the construction and equipment of State hospitals for the insane approved during 1915 and 1916:

Description	Total Authorized	Appropriated 1915	Appropriated 1916	Total Appropriated
<i>Binghamton State Hospital:</i>				
Boiler plant	\$42,500 00	\$42,500 00	.....	\$42,500 00
Coal trestle	8,500 00	8,500 00	.....	8,500 00
<i>Buffalo State Hospital:</i>				
Sewer lines	8,000 00	8,000 00	.....	8,000 00
Laundry equipment	3,500 00	.....	\$3,500 00	3,500 00
<i>Brooklyn State Hospital:</i>				
Additional accom- modations	430,000 00	200,000 00	.....	200,000 00
Storehouse	50,000 00	.....	10,000 00	10,000 00
<i>Central Islip Hospital:</i>				
Acute hospital.....	200,000 00	.....	50,000 00	50,000 00
Laundry extension.	8,000 00	.....	8,000 00	8,000 00
Water supply.....	6,000 00	.....	6,000 00	6,000 00
Pipe line, etc.....	20,000 00	.....	20,000 00	20,000 00
<i>Gowanda State Hospital:</i>				
Mortuary	10,000 00	10,000 00	.....	10,000 00
Heater	2,000 00	.....	2,000 00	2,000 00
Water supply	3,000 00	.....	3,000 00	3,000 00
<i>Hudson River State Hospital:</i>				
Cottages.....	7,000 00	7,000 00	.....	7,000 00
Carried forward..	\$798,500 00	\$276,000 00	\$102,500 00	\$378,500 00

Description	Total Authorized	Appropriated 1915	Appropriated 1916	Total Appropriated
Brought forward.	\$798,500 00	\$276,000 00	\$102,500 00	\$378,500 00
Kings Park State <i>Hospital:</i>				
Employees' home...	100,000 00	100,000 00	.....	100,000 00
Water supply	6,000 00	6,000 00	.....	6,000 00
Refrigerating plant.	3,000 00	.....	3,000 00	3,000 00
Elevator	5,000 00	.....	5,000 00	5,000 00
Manhattan State Hos- <i>pital:</i>				
Power plant	200,000 00	200,000 00	.....	200,000 00
Nurses' home	12,500 00	12,500 00	.....	12,500 00
Acute hospital	200,000 00	.....	46,500 00	46,500 00
Equipment	17,500 00	.....	17,500 00	17,500 00
Fire apparatus ...	8,500 00	.....	8,500 00	8,500 00
Middletown State Hos- <i>pital:</i>				
Power house	100,000 00	100,000 00	.....	100,000 00
Tuberculosis hos-				
pital	30,000 00	.....	10,000 00	10,000 00
Piggery	2,000 00	.....	2,000 00	2,000 00
Mohansic State Hospital	1,498,769 97	300,000 00	.....	300,000 00
Rochester Disturbed Hospital.	27,500 09	.....	10,000 00	10,000 00
St. Lawrence State <i>Hospital:</i>				
Coal shed	6,000 00	.....	6,000 00	6,000 00
Bakery	2,400 00	.....	2,400 00	2,400 00
Piggery	2,500 00	.....	2,500 00	2,500 00
Willard State Hos- <i>pital:</i>				
Fire escapes	12,000 00	.....	12,000 00	12,000 00
	<u>\$3,032,169 97</u>	<u>\$994,500 00</u>	<u>\$227,900 00</u>	<u>\$1,222,400 00</u>

Respectfully,
 ANDREW D. MORGAN,
 FREDERICK A. HIGGINS,
State Hospital Commissioners.

CHARITY

PERSONAL INVESTIGATION BY GOVERNOR WHITMAN AND SCIENTIFIC METHODS AMELIORATE CONDITIONS FOR STATE'S DEPENDENTS

HON. CHARLES S. WHITMAN, *Governor*:

SIR.— Sympathetic attention to the situation confronting the charitable and reformatory institutions of the State and proof of a clear conception not only of the importance of the proposition, but of the executive duty and privileges in connection therewith, were made manifest at the beginning of your administration.

This was shown in the public announcement that those departments having to do with the health and lives of the citizens of the State and properly those charitable and other institutions having charge of the wards of the State, must be organized and manned and managed solely with reference to the exclusive accomplishments of the purposes for which they were created; that if politics had crept into any of these departments, or institutions, its immediate elimination was demanded and the social welfare and humanitarian activities of the State kept free from such entanglements. "Politics does not mix well with health or charity" was a declaration by you which has been the motto of the State Department since then. The policy embodied in it has been carried out to the letter. Tremendous benefit for those who are dependent upon the State was derived from an early step taken by you. The careful study of the constructive and functional needs of all the institutions, consultation with the loyal, unselfish and intelligent men and women of the State and country, who are devoting their lives to ameliorating the condition of the poor, the mentally weak or otherwise unfortunate, enabled the Executive of the State to obtain a grasp of the subject seldom held by any in a similar position. Personal visits of inspection and investigation at the institutions by which first hand information was obtained of prevailing conditions and methods aided also. The executive insistence upon an intelligent reason for every expenditure, the public hearings held in the matter, all assisted to the scientific consideration of proposed appropriations before presentation to the Legislature. At these hearings after a frank discussion with superintendents, managers and others interested as to necessity and advisability of proposed appropriations, public announcement was made of approval or disapproval of items.

In this way every prospective institutional necessity was canvassed and provided for, and those interested including the Legislature were early informed of what could in any event be expected from the Executive. The heretofore prevailing method of determining at the last moment, in star chamber proceeding, amid the hurry of examination of "thirty day bills," the amounts that would or could be granted for the continued support of these institutions rendering the highest service to the State and humanity in general, has been, it is hoped, forever abandoned. No longer does the arbitrary whim of a party boss or the exigency of party politics regulate charitable institutions or the amount of appropriations therefor.

With the charitable and reformatory institutions the Whitman administration has been just and sympathetically liberal. Although confronted with tremendous financial and budget problems and the necessity for rigid economy in the State's expenditures it has nevertheless recognized the imperative demands for increased accommodations at the several institutions, especially those having to do with the care of the feeble-minded and delinquents and has encouraged and approved appropriations looking to increased capacity to a much greater amount than for several years last past. The aggregate of appropriations for new construction and enlarged capacity at the State charitable and reformatory institutions, including authorization of contracts for the years 1914-1916 are as follows:

1914	\$368,609
1915	584,039
1916	876,000

At the same time larger appropriations heretofore denied, notwithstanding increasing cost of nearly everything entering into human consumption, have been provided, the institutions correspondingly encouraged and the inmates benefited.

The magnitude of the field covered by this group of public institutions may be understood from the following: It comprises eighteen active and well-established institutions (institutions for the insane not being included) which represent a money investment of over fifteen million dollars, and in them the State is housing, feeding, clothing and caring for, according to the most enlightened and advanced scientific and humanitarian methods, an army of upwards of eleven thousand dependents, delinquents and defectives.

The following table shows in detail the principal appropriations for the construction and equipment of charitable institutions approved during 1915 and 1916:

Charitable Institutions

Description	Total Authorized	Appropriated 1915	Appropriated 1916	Total Appropriated
Albion				
Cottage	\$30,000 00	.....	\$15,000 00	\$15,000 00
Batavia				
Toilet rooms.....	2,500 00	.....	2,500 00	2,500 00
Fire protection....	5,000 00	.....	5,000 00	5,000 00
Bath				
Farm house	4,000 00	4,000 00	.....	4,000 00
Bedford				
Furnishing cottages	13,000 00	13,000 00	.....	13,000 00
Furnishing cottages	3,000 00	.....	3,000 00	3,000 00
Ice house.....	2,000 00	.....	2,000 00	2,000 00
Two cottages.....	5,000 00	.....	2,500 00	2,500 00
Elmira				
Shop	65,000 00	30,000 00	35,000 00	65,000 00
Pavement	5,000 00	.....	5,000 00	5,000 00
Land	25,000 00	.....	25,000 00	25,000 00
Hudson				
Equipment	5,000 00	5,000 00	.....	5,000 00
Land	15,000 00	15,000 00	.....	15,000 00
Hospital	104,423 47	104,423 47	.....	104,423 47
Industry				
Roofs	2,000 00	.....	2,000 00	2,000 00
Cottage	12,000 00	.....	12,000 00	12,000 00
Railroad pass.....	15,000 00	.....	15,000 00	15,000 00
Dairy building....	2,500 00	.....	2,500 00	2,500 00
Iroquois				
Reconstruction	5,000 00	5,000 00	.....	5,000 00
Reconstruction	1,000 00	.....	1,000 00	1,000 00
Boiler	2,200 00	.....	2,200 00	2,200 00
Napanoch				
Plumbing	5,000 00	.....	5,000 00	5,000 00
Land	3,500 00	.....	3,500 00	3,500 00
Newark				
Boiler house.....	62,000 00	62,000 00	.....	62,000 00
Dynamo	4,000 00	4,000 00	.....	4,000 00
Barn	3,500 00	3,500 00	.....	3,500 00
Intake	2,389 55	2,389 55	.....	2,389 55
Filter	7,500 00	.....	7,500 00	7,500 00
Tank	10,000 00	.....	10,000 00	10,000 00
Cottage equipment..	7,500 00	.....	7,500 00	7,500 00
Hospital equipment.	7,500 00	.....	7,500 00	7,500 00
Laundry equipment.	2,500 00	.....	2,500 00	2,500 00
Oxford				
Sewage disposal....	5,000 00	5,000 00	.....	5,000 00
Water supply.....	2,400 00	2,400 00	.....	2,400 00
Carried forward..	\$446,413 02	\$255,713 02	\$173,200 00	\$428,913 02

Description	Total Authorized	Appropriated 1915	Appropriated 1916	Total Appropriated
Brought forward.	\$446,413 02	\$255,713 02	\$173,200 00	\$428,913 02
<i>Randall's Island</i>				
Docks	2,000 00	2,000 00	.....	2,000 00
Floors	2,000 00	2,000 00	.....	2,000 00
Boiler	3,000 00	3,000 00	.....	3,000 00
Quarantine	5,000 00	.....	5,000 00	5,000 00
<i>Rome</i>				
Plumbing	5,000 00	5,000 00	.....	5,000 00
Boiler house.....	20,000 00	20,000 00	.....	20,000 00
Equipment	15,000 00	.....	15,000 00	15,000 00
Bakery	2,000 00	.....	2,000 00	2,000 00
<i>Sonyea</i>				
Dormitory	80,000 00	.....	20,000 00	20,000 00
Water supply.....	25,000 00	.....	5,000 00	5,000 00
Cold storage.....	35,000 00	.....	5,000 00	5,000 00
<i>Syracuse Institution</i>				
Heating system....	17,500 00	6,000 00	11,500 00	17,500 00
<i>West Haverstraw</i>				
Hospital	55,000 00	.....	25,000 00	25,000 00
Laundry	3,500 00	.....	3,500 00	3,500 00
Tank	7,500 00	.....	7,500 00	7,500 00
<i>Yorktown Heights</i>				
Engineering, etc....	10,000 00	10,000 00	.....	10,000 00
<i>Thiells</i>				
Bridges	11,000 00	11,000 00	.....	11,000 00
Cow barn.....	3,500 00	3,500 00	.....	3,500 00
Stone crusher.....	3,000 00	3,000 00	.....	3,000 00
Reconstruction	3,500 00	3,500 00	.....	3,500 00
Service building....	60,000 00	60,000 00	.....	60,000 00
Nurses' home.....	50,000 00	50,000 00	.....	50,000 00
Sewer lines.....	5,000 00	.....	5,000 00	5,000 00
Dam	5,000 00	.....	5,000 00	5,000 00
Storehouse	60,000 00	.....	15,000 00	15,000 00
Four cottages.....	168,000 00	.....	42,000 00	42,000 00
Conduits, etc.....	30,000 00	.....	10,000 00	10,000 00
Equipment	15,500 00	.....	15,500 00	15,500 00
	<hr/> \$1,148,413 02	<hr/> \$434,713 02	<hr/> \$365,200 00	<hr/> \$799,913 02
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Respectfully,

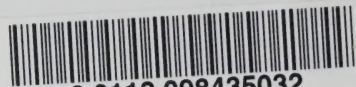
WILLIAM A. MALLERY, JR.,
Fiscal Supervisor of State Charities.



UNIVERSITY OF ILLINOIS-URBANA

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Report to the voters of the State of Ne



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